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Daily Report

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Daily Report
Central Eurasia

FBIS-SOV-95-212 *2 November 1995*

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Key Developments

FBIS Duma Election Report 1 Nov

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[FBIS Media Note] ***This is the seventh in a weekly series of reports FBIS will produce on the campaign for the 17 December Russian Duma elections. It is based solely on Russian media reporting.***

Recent Developments

TsIK Rejects Yabloko, Derzhava Registration In a surprise move, the Central Electoral Commission (TsIK) rejected the registration of Yabloko and Derzhava because of irregularities in their candidate lists. On 29 October, TsIK Press Secretary Parmen Shenshin announced that Yabloko's registration had been annulled because the party "could not present evidence that 13 people were included voluntarily on their federal list," adding that Yabloko's leaders had ignored the commission's warnings to present evidence that these candidates are not "dead souls" (ITAR-TASS, 29 October). A day earlier, the TsIK announced that 86 of the 270 nominees on Derzhava's candidate list had been placed there "without their consent." Asserting that "voters who gave their signatures to support specific candidates were misled," TsIK Chairman Nikolay **Ryabov** declared Derzhava's registration "invalid" (INTERFAX, 28 October).

Both parties vowed to appeal the rejections to the Supreme Court, which just this week voided a TsIK decision in a similar case. On 30 October, the court upheld a suit against the TsIK by the Democratic Russia and Free Trade Unions party and ordered the commission to reverse its rejection of the party's registration (INTERFAX, 30 October). According to the Duma electoral law, the court must investigate such complaints within three days (ROSSIYSKAYA GAZETA, 28 June).

TsIK Deputy Chairman Aleksandr Ivanchenko suggested that Yabloko may yet be registered, saying the "situation is not hopeless" for the party and that the commission will "review" the matter after the court's ruling (ITAR-TASS, 30 October). ORT's 31 October "Vremya" newscast quoted unnamed TsIK sources as saying that a "positive result" had in fact "already been prepared" for Yabloko but that party leader Grigoriy Yavlinskiy's "intractability ruined the whole affair."

Yabloko leader **Yavlinskiy** claimed during a 30 October press conference that a "strong political group has been formed in Russia, with its roots going as far as the top echelons of power, which is interested in destabilizing the situation in the country and disrupting the elections" (ITAR-TASS, 30 October). He also contended that the TsIK coerced a candidate into falsely claiming that "he had never been aware that he was a Yabloko member" (Ekho Moskvy, 31 October).

Federal officials and leaders of other parties have blasted the TsIK's rejection of Yabloko:

- Premier Viktor **Chernomyrdin** called the decision "thoughtless to say the least," adding that he hoped "common sense and responsibility will prevail" and that the TsIK's "mistake" will be corrected, enabling Yabloko to take part in the elections (RTV "Vesti," 30 October).
- Russia's Democratic Choice leader Yegor **Gaydar** said that if Yabloko's rejection stands, the "elections will turn into a political farce" and his party will refuse to participate (NTV "Segodnya," 29 October). He also called for an emergency Duma session to discuss the matter (INTERFAX, 30 October).
- General Aleksandr **Lebed**, a leader of the Congress of Russian Communities (KRO), accused Ryabov of carrying out his duties "with a sledgehammer" and turning the elections into a "game without rules." Pointing to the TsIK's registration of the Party of Beer Lovers, Lebed asserted that Ryabov is "more concerned with having a pub in the Duma" than having "people's deputies there" (NTV "Itogi," 29 October).
- Although Communist Party of the Russian Federation (CPRF) leader Gennadiy **Zyuganov** had little sympathy for Yabloko, suggesting that the incident was an "advertising gimmick" that in the end will yield "extra dividends" for Yabloko, he also called the TsIK's action "one of the elements of the massive preparation of public opinion for the cancellation of the election." (INTERFAX, 30 October).

In contrast, **presidential spokesman Sergey Medvedev** defended the TsIK and "categorically" rejected Yavlinskiy's accusations that the TsIK was carrying out orders from above. He asserted that Ryabov "is operating entirely independently and is responsible for his own decisions" (IZVESTIYA, 31 October).

Some rival party leaders supported the TsIK's decision, blaming Yabloko and Derzhava for sloppy preparation:

- Agrarian Party of Russia (APR) leader Mikhail **Lapshin** suggested that the TsIK's actions were justified, saying that the TsIK found "numerous technical errors" in the candidate lists because of Yavlinskiy's and Derzhava leader Aleksandr Rutskoy's "neglect for rough, day-to-day organizational work" (INTERFAX, 30 October).

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- Vasiliy **Lipitskiy**, a leader of the Social Democrats party, also disagreed with the TsIK's critics, saying that "no matter whether the election law is good or not, no matter whether the TsIK is good or not, one has to play by the rules if one starts to use them in the campaign." He also noted that politicians who "acted calmly" when Derzhava's registration was refused portrayed Yabloko's rejection as a "catastrophe for democracy" (INTERFAX, 30 October).
- Liberal-Democratic Party of Russia (LDPR) leader Vladimir **Zhirinovskiy** also defended the TsIK, calling commission members "professionals" whom he "trusted" and who "try to stick to the law as much as possible" (INTERFAX, 30 October).

TsIK Registers More Parties The TsIK announced that it had registered thirteen more parties on 30 and 31 October for a total of 27. The Popular Union, **Russia's Democratic Choice-United Democrats**, For the Motherland!, the National-Republican Party of Russia, and the Social Democrats were registered on 30 October (INTERFAX, 30 October). On 31 October the commission registered Power to the People!, the Party of Economic Freedom, the Party of Russian Unity and Accord, Kedr, My Fatherland, the Christian Democratic Union, Duma '96, and the Border Generation.

In addition to Yabloko and Derzhava, the TsIK also rejected the Bloc of Independents, the Union of Workers of Housing and Municipal Services, and the Movement of Transportation Workers (ITAR-TASS, 31 October). Although Democratic Russia's earlier rejection was overturned by the Supreme Court, the party announced that it will not run as a separate bloc but will instead support Yabloko's efforts to get on the ballot (NTV "Segodnya," 31 October).

The TsIK reported that 2,493 candidates, including 773 independents, were registered in the 225 single-seat districts, an average of just over 11 per district (INTERFAX, 30 October).

Chernomyrdin Dissatisfied With NDR Leaders Chernomyrdin voiced displeasure with the regional and local leaders of **Russia Is Our Home (NDR)** at the bloc's conference on 28 October, charging they had done a poor job of organizing the bloc's list of candidates and permitted 40 candidates to dropout of the bloc's federal list, leaving only 221. NDR Executive Committee Chairman Leonard Vid presented an even bleaker picture for the bloc's list of candidates in the 225 single-seat districts, saying that the total number had dropped from 181 to 109 (ITAR-TASS, 28 October).

Chernomyrdin chided nominees who had defected or turned down nominations. "Some left the ranks of our movement and passed under other banners for selfish reasons, he said. "Some were frightened by the difficulties of the election campaign, and others did not justify the hopes pinned on them" (INTERFAX, 28 October).

At the same conference, NDR campaign chairman Sergey Belyayev reportedly suggested that the bloc was prepared to use its government connections in an effort to jump-start the bloc's campaign. He reportedly said that "NDR organizations" intend to "establish local control over" the "timely payment of pensions," that the "government" will hold a "conference on the problem of recompensing bank deposits to the population," and that the "NDR intends to ensure" that the Duma passes a joint stock law and a new criminal code (ITAR-TASS, 28 October).

TsIK Backtracks on Criminal List Segodnya reported on 25 October that several of the 85 Duma candidates categorized as criminals on a list provided to the TsIK by the Ministry of Internal Affairs (MVD) had been cited for political, rather than criminal, offenses. Sergey Kovalev (Russia's Democratic Choice), Gleb Yakunin (Democratic Russia), and Viktor Anpilov (Russian Communist Workers' Party) had been charged with "organizing mass disturbances." Anpilov, retired General Albert Makashov (CPRF), General Valentin Varennikov (CPRF), and Vasiliy Starodubtsev (APR) were found guilty of "treason against the Motherland" for their actions during the August 1991 coup. Konstantin Borovoy, head of the Party of Economic Freedom, protested the inclusion of Leonid Shpigel and Vladimir Tanklevskiy, tried for then-illegal entrepreneurial activities under the Soviet government. One unnamed candidate on the list had apparently been arrested during the Soviet period for "distributing bibles."

Filatov Against State Employees, Servicemen on Party Lists Claiming that nearly 1,000 government employees and over 200 servicemen are running on party lists, Presidential Administration Chief **Sergey Filatov** told INTERFAX (28 October) that he considers their participation on party slates "immensely dangerous for the state." Filatov said "it is hard to imagine how a government employee, let alone a serviceman, can run in elections on opposition party tickets." Their "involvement" with "such parties" is a "violation of an oath of allegiance" and "there can hardly be a greater menace for the state."

"High-Ranking" Defense Official Discusses Military's Role in Campaign A "high-ranking" Defense Ministry official who asked not to be identified told

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the weekly OBSHCHAYA GAZETA (No. 43, 26 October-1 November) that "an elite of sorts" has already been formed among prospective military candidates—including Generals Lev Rokhlin and Boris Gromov and "all those running" on the NDR list—who "rely on financial aid from state-run structures, major banks, and individual businessmen."

The official said that less prominent military candidates are "looking around for sponsors, primarily among the local rich," with the result that some military candidates "are beginning to fuse with the criminal and mafia world." "Men of influence" [avtoritety] often demand a price for their support, including the "leasing of buildings, army storage facilities, or several hectares of a training ground; or a company of soldiers to build a dacha, or a dozen rail cars to haul freight.

The official said that more than 350 military candidates or "those linked with the Armed Forces in one way or another" were registered by mid-October and of those, "15 or 20 at best are likely to reach the finishing line." Asked if the Defense Ministry will "discredit" military candidates it "dislikes," he responded that "this is already being done." He alleged that a "mechanism" to gather "discrediting evidence" against KRO number two Lebed "has been switched on full blast" and that My Fatherland leader **Gromov** is "being studied" for "connections with the commercial world."

The official claimed that Col. Gen. Igor Rodionov, the chief of the General Staff's Military Academy and number two on KRO's Moscow Oblast regional list, is among those that are "disliked." He said that Rodionov was spoken of "highly" in the Defense Ministry and the General Staff, but after appearing on the KRO list "serious shortcomings" in his work were "discovered" and now an effort to replace Rodionov as academy head is underway.

Asked to characterize the Defense Ministry's election "tactics," the official asserted, "I have never seen such a mess before." Among the armed forces components he cited as involved in the "organization" of the elections were the Military Policy Directorate, the General Staff, the Main Directorate for Indoctrination Work, and the Main Personnel Directorate. "As a result," according to the official, "nobody is responsible for anything."

In the Provinces

Lebed Up, Starodubtsev Down in Tula **Lebed**, number two on the KRO's federal list, is running as the KRO's candidate in Tula Oblast's Tulskiy single-seat district (Electoral District No. 176) where the 106th Tula Airborne Assault Division is stationed. In a poll of airborne servicemen conducted by the Defense Ministry's Head of Administration of Educational Work, 90 percent of respondents said they intend to vote for the KRO (NEZAVISMAYA GAZETA, 27 October). Lebed once commanded the division.

The electoral commission of the oblast's Novomoskovskiy single-seat district (Electoral District No. 175), has denied Starodubtsev's registration as a candidate on the grounds that he is also a candidate in another district. Starodubtsev is third on the APR's federal list and was also nominated as an independent candidate by a group of voters in the town of Sokolniki. While he is not on the APR's list of single-seat candidates, Starodubtsev's aides reportedly admitted that he is running in two districts but contended that the rejection was "illegitimate" and not justified by the election law (SELSKAYA ZHIZN, 31 October).

Opposites Square Off in Moscow Single-Seat Race Two candidates with vast ideological and personality differences—Common Cause leader Irina Khakamada and Power to the People! candidate Stanislav Terekhov—are competing in Moscow City's Orekhovo-Borisovskiy district (Electoral District No. 197).

- Khakamada, who won the seat in 1993 with 29 percent of the vote in a field of 10 candidates, has enjoyed a high profile in the Duma despite her party's small size by doggedly campaigning against corruption in government and business. A self-described "liberal" (NOVAYA YEZHEDNEVNAYA GAZETA, 28 December 1994), she has received support from other pro-reform parties, such as Russia's Democratic Choice and Yabloko, who have agreed not to run candidates against her (MOSKOVSKIY KOMSOMOLETS, 26 August).
- Union of Officers leader Terekhov has been a staunch critic of reformers, calling them "betrayers of the country's national interests who are directed by pro-Western and pro-Zionist centers" (IZVESTIYA, 4 May). He ran unsuccessfully in a May by-election to fill a vacant Duma seat in Moscow Oblast's Kolomna single-seat district, coming in fourth with 4.4 percent of the vote (INTERFAX, 15 May). Terekhov is also fifth on the Power to the People! federal list.

Glut of Incumbents in Another Moscow Race MOSKOVSKAYA PRAVDA reported on 27 October that at least three incumbent Duma deputies have been registered to compete in Moscow City's Universitetskiy district (Electoral District No. 201): Pavel Bunich, an independent candidate, who recently left Russia's Democratic Choice over differences in economic policy; the CPRF's Viktor Shevelukha; and Artem Tarasov, a Kedr candidate who won in the city's

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Tsentralniy district with 15 percent of the vote in 1993. The district's incumbent, Aleksandr Braginskiy, an independent Duma deputy who won 23 percent of the vote in 1993, was not on the paper's incomplete list of registered candidates but also might be running.

Plethora of Candidates in Moscow Oblast's 11 Single-Seat Races NEZAVISIMAYA GAZETA (24 October) reported that nearly 230 candidates have been registered to run in Moscow Oblast's eleven single-seat districts, an average of nearly 21 candidates per district. The LDPR has nominated eleven candidates, Ivan Rybkin's bloc and the KRO 10 each, the CPRF six, and Yabloko five. According to NEZAVISIMAYA GAZETA, the district races will include more than 50 enterprise directors, approximately 50 "party apparatus" members, and 34 civil servants. Among the more well-known candidates running in the oblast are current Duma deputies **Vladimir Lukin**, Sergey Yushenkov, and German Titov.

No Shortage of Candidates in Rostov Oblast's 7 Single-Seat Races Either IZVESTIYA (26 October) reported that there are 140 contenders in Rostov Oblast's seven single-seat districts with 30 candidates in at least one district.

Among the candidates seeking election in the oblast is Deputy Premier and Party of Russian Unity and Accord (PRES) leader **Sergey Shakhray**, who is reportedly running in the Proletarskiy single-seat district (Electoral District No. 145) that includes mostly voters who have links with the giant "Rostselmash" plant. IZVESTIYA reported that Shakhray said he will "lobby and force through a program" for the "development" of Rostselmash, "possibly in the form of a state order for 10,000-12,000 combines." Indicating that Shakhray knew something was in the works for Rostselmash, ROSSIYSKAYA GAZETA (28 October) published a presidential edict dated 17 October providing a "transfer" of 126.5 billion rubles from the 1995 federal budget to Rostselmash for "the formation of a leasing fund," specifically for "supplies of grain- and feed-harvesting equipment."

The IZVESTIYA report also indicated that **NDR's** support in the oblast is tenuous at best. The leader of the regional "Rostov Is Our Home" organization sent Premier Chernomyrdin a letter informing him that his organization had been meeting regularly with deceived investors and said "we can tell you for sure that the people are opposed to your party at the moment." The paper, asking "what has made the people of Rostov shun the 'party of government' so decisively," noted that the "Rostov Is Our Home" leader cited the government's inability to "return the savings of citizens duped by 'pyramids'" as the main reason and that in his letter he "advised" Chernomyrdin to "find means of solving the question of millions of investors, and then voters may vote for you."

In a probable indication of **NDR's** troubles in the oblast, the bloc recently dropped four of the six candidates on its Rostov regional list, including the number one candidate, Duma deputy Sergey Shapovalov (ROSSIYSKAYA GAZETA, 26 September, 31 October).

Tatarstan's 5 Single-Seat Races Shaping Up Citing "preliminary data" from Tatarstan's district electoral commissions, IZVESTIYA TATARSTANA (25 October) reported that 31 candidates have been registered to run in the republic's five single-seat districts and supporting signatures for eight more candidates "are still being examined." According to IZVESTIYA TATARSTANA, candidates from 13 parties and blocs will square off in the five districts, including five from the CPRF; four from the LDPR; three each from Yabloko, the Bloc of Independents, and the Interethnic Union; and two each from Power to the People! and NDR. The paper reported that members of the republic's nomenklatura "have not yet rushed" to participate as candidates, but will likely "assist certain persons" in all five single-seat races, and despite "predictions" of an "invasion" by "latter-day businessmen," only a handful are running, though some may be seeking to get "their own person a seat of "power."

Current Duma deputies Oleg Morozov and Vladimir Altukhov, who had been listed as NDR candidates in Tatarstan's Moskovskiy (Electoral District No. 23) and Naberezhno-Chelninskiy (Electoral District No. 24) single-seat districts (ROSSIYSKAYA GAZETA, 26 September), "unexpectedly rejected" NDR's support, choosing instead to "represent only the interests of their own constituents."

The paper also observed that "four Muscovites" are "making an attempt to gain the sympathy of the inhabitants of Tatarstan" — Vladislav Achalov, Union of Patriots leader and the chairman of the All-Russia Officers Assembly, and Makhmut Gareyev, identified as the chairman of the Academy of Military Sciences, are candidates in the Moskovskiy District (Electoral District No. 23); Boris Isayev, identified as the president of the Association of Deputies, is running in the Privolzhskiy District (Electoral District No. 26); and "legendary mountaineer" and Our Future leader Sazhi Umalatova is seeking election in the Nizhnekamskiy District (Electoral District No. 25).

Duma Deputies Battle in Irkutsk Race Two Duma deputies—Vitaliy Shuba and Democratic Russia and

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Free Trade Unions leader Lev Ponomarev—are among six candidates running in Irkutsk Oblast's Bratskiy single-seat district (Electoral District No. 81). Shuba, an independent candidate, won 38 percent of the vote in 1993 in a field of five candidates in the district. Ponomarev won on Russia's Choice's party list in 1993 but left the party in July to protest the party's refusal to support a no-confidence motion against Chernomyrdin and formed Democratic Russia with Gleb Yakunin and Galina Starovoytova.

A local poll published by Irkutsk's SOVETSKAYA MOLODEZH on 31 October suggests that the two deputies might face stiff competition. With 37.6 percent of respondents expressing a preference, 12 percent said they support "national-patriotic" parties, 10 percent supported "communists," 9.6 percent supported "democrats," and 6 percent supported "social-democrats."

The CPRF and the APR are supporting independent candidate Vladimir Vikulov, a deputy in the Irkutsk Oblast legislative assembly, and the LDPR is also fielding a candidate, sovkhoz director Nikolay Makarov. Moreover, Russia's Democratic Choice candidate Vladimir Anyakin, who ran unsuccessfully against Shuba in 1993, is likely to siphon off some votes for Ponomarev (SOVETSKAYA MOLODEZH, 31 October).

Media Beat

Daily Threatens To Stop Publishing Candidate Lists ORT's "Vremya" newscast reported on 1 November that ROSSIYSKAYA GAZETA is threatening to halt publication of party and candidate lists on 3 November because of the "enormous costs" involved.

Registered Parties and Blocs and Their Top Candidates

Official candidate lists for the following parties and blocs registered by the TsIK were published in ROSSIYSKAYA GAZETA from 25 October-1 November. Each entry below lists the party's 12 core federal list candidates in order and gives the date when the list was published.

Communist Party of the Russian Federation [Kommunisticheskaya partiya Rossiyskoy Federatsii] Gennadiy Zyuganov, Svetlana Goryacheva, Amangeldy Tuleyev, Valentin Chikin, Yuriy Maslyukov, Valentin Kuptsov, Anatoliy Ionov, Valeriy Tarasov, Yuriy Ivanov, Aleksey Podberezkin, Nikolay Savelyev, Valeriy Vorotnikov. (Federal list published 25 October).

Congress of Russian Communities [Kongress russkikh obshchin] Yuriy Skokov, Aleksandr Lebed, Sergey Glazyev, Lyudmila Vartazarova, Dmitriy Rogozin, Yuriy Kalmykov, Vasiliy Romanov, Mikhail Kolchev, Oleg Denisov, Tatyana Malyutina, Sergey Goncharov, Sergey Burkov. (Federal list published 25 October).

Liberal-Democratic Party of Russia [Liberalno-demokraticheskaya partiya Rossii] Vladimir Zhirinovskiy, Sergey Abeltsev, Aleksandr Vengerovskiy, Stanislav Zhebrovskiy, Aleksey Mitrofanov, Mikhail Gutseriyev, Mikhail Monastyrskiy, Mikhail Musatov, Vladimir Gusev, Nataliya Narycheva, Oleg Finko, Sergey Kalashnikov. (Federal list published 26 October).

Women of Russia [Zhenshchiny Rossii] Alevtina Fedulova, Yekaterina Lakhova, Galina Klimantova, Marina Dobrovolskaya, Fanuza Arslanova, Irina Vybornova, Antonina zhilina, Lyudmila Zavadskaya, Natalya Malakhatkina, Svetlana Orlova, Galina Parshentseva, Yelena Chepurnykh. (Federal list published 28 October).

Agrarian Party of Russia [Agrarnaya partiya Rossii] Mikhail Lapshin, Aleksandr Nazarchuk, Vasiliy Starodubtsev, Aleksandr Davydov, Aleksandr Zaveryukha, Vladimir Akatyev, Aleksandr Belashov, Nikolay Sukhoy, Anatoliy Vorontsov, Andrey Popov, Mikhail Trunov, Vladimir Isakov. (Federal list published 28 October).

Russia Is Our Home [Nash dom—Rossiya] Viktor Chernomyrdin, Nikita Mikhalkov, Lev Rokhlin, Sergey Belyayev, Daniya Karimova, Zhores Alferov, Galina Volchek, Nikolay Travkin, Vladimir Kinelev, Vladimir Bashmachnikov, Aleksandr Martynov, Vladimir Ryzhkov. (Federal list published 31 October).

Trade Unions and Industrialists of Russia—Union of Labor [Profsoyuzy i promyshlenniki Rossii—Soyuz Truda] Vladimir Shcherbakov, Mikhail Shmakov, Arkadiy Volskiy, Valeriy Trapeznikov, Dmitriy Lukashenko, Aleksandr Neumyvakin, Valeriy Nosov, Yuriy Sakharnov, Anatoliy Denisov, Vadim Zhimirov, Igor Yurgens, Valeriy Bagin. (Federal list published 1 November).

List of Single-Seat Electoral Districts

The list of the 225 single-seat districts for the 17 December elections was published in ROSSIYSKAYA GAZETA (22 August) and ROSSIYSKIYE VESTI (24 August). It lists each district's name and number; the total number of voters; the district's center; and other cities, towns, and rayons in the district.

Election Schedule—Key Dates

2 November: TsIK completes verification of parties' and blocs' signature lists.

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5 November: Parties and candidates can begin running campaign advertisements in state-owned federal and regional newspapers (ITAR-TASS, 20 September).

15 November-15 December: Equal and free access for airtime on state-owned federal and regional television and radio channels granted for all candidates; 30-minute blocs of free airtime from 7:00-10:00 and 18:00-23:30 to be drawn by lots.

Yeltsin Demands Account of TsIK's Latest Actions

LD0111080595 Moscow NTV in Russian 2100 GMT 31 Oct 95

[From the "Today at Midnight" program]

[FBIS Translated Text] The head of state himself wanted to be the first to find out about the Central Electoral Commission's [TsIK] refusal to register Yabloko and has demanded an account of the Central Electoral Commission's latest actions, according to a statement from his press service:

[Begin Sergey Medvedev, presidential press secretary, recording] The president would like to know — and he would like to receive the information as soon as possible — whether equal measures are being applied to all associations and blocs. The law is equal for all and the president reminds us of this. [video shows Medvedev talking in a hallway] [end recording]

Ryabov: Yeltsin Issued No Decrees

LD3110170595 Moscow NTV in Russian 1600 GMT 31 Oct 95

[FBIS Translated Text] Our correspondent has just returned from the Central Electoral Commission, where Nikolay Ryabov made a curious statement today which practically disavowed the information by the president's press secretary.

[Begin recording] [Ryabov] He didn't issue any decrees. For God's sake let me be!

[Correspondent] There is a report by the president's press service that he demanded personal explanations from you.

[Ryabov] He didn't demand any personal explanations from me. That's a fabrication! Nor did he issue any decrees. [end recording] [Video shows Ryabov moving through crowd of reporters]

Ryabov: TsIK Not To Submit to Pressure

LD0111182495 Moscow NTV in Russian 1600 GMT 1 Nov 95

[Report over video by unidentified correspondent; from the "Segodnya" newscast; passages within quotation marks recorded]

[FBIS Translated Text] General attention at the Elections-95 — Openness and New Prospects conference that opened today was focussed upon Nikolay Ryabov, chairman of the Central Electoral Commission [TsIK], who gave detailed answers to numerous questions. He ruled out the possibility that the commission will of its own accord review its decision to refuse to register Yabloko, Derzhava, and a number of other electoral blocs.

[Ryabov] "Do not try and make us change our mind. If the commission makes a decision, it makes a decision, and that is it."

[Correspondent] Ryabov also ruled out any possibility that the Central Electoral Commission will give in to attempts from any source to put pressure on members of the commission.

[Ryabov] "How can pressure be put upon me if I cannot be removed from my post, my salary cannot be docked if I have housing and everything."

[Correspondent] The Central Electoral Commission chairman also denied allegations that the president might have asked him to justify refusing to register the Yabloko candidates. Boris Yeltsin asked only to be briefed on the progress of the election campaign as a whole. At the same time, Nikolay Ryabov made it clear that the Central Electoral Commission was ready to submit to the decisions of the Supreme Court if the refusal to register Yabloko candidates is deemed unlawful. However, Ryabov said this will not mean that other electoral assocations that were refused registration will automatically become registered.

[Ryabov] "A decision made by the Supreme Court on a specific case is not and must not be an automatic rubber-stamping of the same sort of decision on other matters."

[Correspondent] The Central Electoral Commission chairman also announced that he had two more lists of candidate deputies that, he said, were not wholly in compliance with the law. These lists are for the moment tucked away on his desk, and will be made public when the registration of electoral blocs is completed.

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Satarov Views Yeltsin-Ryabov Incident

LD3110184395 Moscow NTV in Russian 1600 GMT 31 Oct 95

[From the "Segodnya" program]

[FBIS Translated Text] As I said already, President Yeltsin is very concerned about the Yabloko situation. Today, I repeat, he demanded all the necessary information on that topic. According to ITAR-TASS, the president will meet his chief aide Viktor Ilyushin on 1 November. We have the opportunity to find out what presidential aide Georgiy Satarov thinks about the pre-election crisis.

[Begin recording] [Unidentified correspondent] Georgiy Satarov, the president's aide responsible for relations with the Federal Assembly, is somewhat concerned by the initiative of the Democratic Russia faction to convene an extraordinary sitting of the State Duma on 4 November. Satarov thinks that electoral legislation is in need of perfection. Georgiy Satarov is the "Hero of the Day" on NTV.

Georgiy Aleksandrovich, to all appearances, the president began work today, and his first decision was to send a question to Nikolay Ryabov, chairman of the Central Electoral Commission, about the reasons behind his refusal to register the Yabloko bloc.

[Satarov] That's not how it is. What was at issue were the violations discovered by the Central Electoral Commission as a whole and two types of decisions: Removal from taking part in the elections, or despite the violations, to allow participation in the elections. And it should be said that this is connected not so much with Yabloko or Great Power or Democratic Russia. The fact of the matter is that at the end of October, beginning of November, the president had events planned that were connected with monitoring [kontrol] the preparations for the elections, the course of the electoral campaign, but since that was broken off because of his illness, that is simply the continuation of what was planned in that form.

[Correspondent] Ivan Rybkin said the situation around Yabloko is not worth a brass button.

[Satarov] A brass farthing.

[Correspondent] Do you agree with this assessment?

[Satarov] I agree. I think that, on the whole, it's unnecessary dramatization.

[Correspondent] There are those who say, assessing the situation, that it is simply the arbitrariness of bureaucrats. There are others who say that it is an attempt by evil people to thwart the elections. There are still others who claim that these are attempts by clever people to somehow influence public opinion on the eve of the elections. What is your point of view?

[Satarov] I think that the imperfection of the law, which allows the broad manifestation of action that is not regulated by the law, action for the Central Electoral Commission, and which allows various interpretations of the norms and actions taken by the Central Electoral Commission, lies at the basis of this. This is the most essential thing.

[Correspondent] Is it possible that you will meet the president soon?

[Satarov] Well, I don't know what could be considered to be "soon," but that cannot be ruled out, and I think that as soon as the regime of his work is active enough, his aides will go to him on one problem or another.

[Correspondent] And what do you consider to be the main theme in the conversation?

[Satarov] Naturally, the situation connected with the elections is the most vital now. [end recording]

An in-depth conversation with Georgiy Satarov is in Leonid Parfenov's "Hero of the Day" program immediately after the end of our news bulletin.

Yabloko Denies Two Criminals on Candidate List

LD3110140895 Moscow ITAR-TASS in English 1302 GMT 31 Oct 95

[FBIS Transcribed Text] MOSCOW October 31 (ITAR-TASS) — The press service of the Yabloko group in the State Duma refuted today the information of the Central Electoral Commission, under which two of its candidates have criminal records.

A report, received by ITAR-TASS, says that the information, under which V. Prokhorov was sentenced to 11 years of imprisonment in 1965 for group rape is at variance with the real situation. "During all those 11 years he first served in the Soviet Army, then worked as an apprentice for tram driving, as a fitter and so on. Now he is deputy chairman of the Russian Trade Union of Mining and Metallurgical Workers," the Yabloko press service said.

The information about a criminal record of A. Morozov, head of a laboratory at the Physical Energy Institute in Obninsk, is also described as a falsehood.

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Electoral Commission Registers 35 Parties

LD0111212095 Moscow ITAR-TASS in English 2010 GMT 1 Nov 95

[By Igor Belskiy]

[FBIS Transcribed Text] MOSCOW, November 1 (ITAR-TASS) — The Central Electoral Commission has registered a total of 35 parties to participate in December elections to the State Duma (lower house of the Russian legislature), commission officials said on Wednesday.

The 35 include all major heavy hitters such as communists, agrarians, the nationalist Congress of Russian Communities and the pro-government bloc "Our Home is Russia."

The fate of reformist Yabloko and nationalist Derzhava (Great State) will be decided by the Supreme Court. The two were barred from the elections by the commission for dropping candidates from their party lists against the rules.

The commission said that it had refused to register another minor nationalist party, Union of Patriots, due to violations of law including collecting signatures in its support for fee.

Contradicting to this statement, representatives of the Union said that they had withdrawn their registration papers "in solidarity with Derzhava" and "in order to preserve the unity of nationalist and patriotic forces in Russia."

The commission also refused to register the Democratic Russia — Free Unions bloc, the press centre of the bloc said giving no explanations. The bloc was among those few parties who failed to submit registration papers before the deadline but later appealed to the Supreme Court. The Court ruled that the Commission should consider the bloc's application. Apparently, the second attempt was a failure for the party which back in early 1990's brought Boris Yeltsin to power.

Supreme Court Obliges TsIK To Register Blocs

LD0111154595 Moscow INTERFAX in English 1410 GMT 1 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 1 (INTERFAX) — Russia's Supreme Court Wednesday obliged the Central Electoral Commission (CEC) [TsIK] to accept registration documents from the Land Assembly and the Our Future blocs for consideration, thus meeting the complaint lodged by these blocs.

The Wednesday hearings in the court were held in the presence of CEC representatives, according to INTERFAX.

The Land Assembly bloc presented lists of voters in support of its federal lists before the established deadline expired on October 22, chief of the Cossacks headquarters Aleksandr Gora, representative of the Land Assembly bloc, told INTERFAX. However, CEC working groups which started accepting documents then received an order to stop, Gora said.

Several political organizations intending to take part in the parliamentary elections plan to address the president with a petition to suspend the authority of CEC head Nikolay Ryabov for the period of the preparation for the elections or to send him on vacation, Gora said.

For her part, Sazhi Umalatova, leader of the Our Future bloc, told INTERFAX that she does not see any evil intent in the actions of the Central Electoral Commission. She described them as "a misunderstanding which the Supreme Court has corrected today."

People's Salvation Front Sues Electoral Commission

LD3110160095 Moscow ITAR-TASS World Service in Russian 1320 GMT 31 Oct 95

[By ITAR-TASS correspondent Igor Belskiy]

[FBIS Translated Text] Moscow, 31 Oct (ITAR-TASS) — The People's Salvation Front Association will tomorrow file a suit for consideration by Basman court for more than 1.5 billion rubles. The bloc intends to demand that the Central Electoral Commission compensate it for the material and moral damage it has sustained.

Between August and the start of October the bloc tried to join the election fray, but was refused by the Central Electoral Commission. Only after a ruling by the Supreme Court of the Russian Federation, given at the end of September, was this association registered by the commission. The Front only started collecting signatures of support it on 5 October. This was the last electoral association to be successful in submitting its lists of signatures by midnight on 22 October.

Russia's Choice Urges Amendments to Election Law

LD3110151895 Moscow ITAR-TASS in English 1425 GMT 31 Oct 95

[By Pavel Kuznetsov]

[FBIS Transcribed Text] MOSCOW, October 31 (ITAR-TASS) — The Russian electoral commission's refusal to register in the legislative elections two blocs warrants an extraordinary session, the Russia's Choice parliamentary faction urged.

The faction's deputy chairman Boris Zolotukhin told a news conference today that the State Duma, the lower

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house of parliament, should meet to introduce to the election law amendments which would bar deliberate or inadvertent moves like the electoral commission's recent denial of registration to two blocs.

This makes close to exclusion from the election the liberal bloc Yabloko led by Grigoriy Yavlinskiy and nationalist Derzhava headed by Aleksandr Rutskoy.

In addition, the faction is going to campaign for passing a law on the public control of the elections.

An extraordinary Duma session may by moved by any faction, but to carry the motion must be backed by at least a fifth of the house, which is 90 parliamentarians.

Russia's Choice is set to immediately start the collection of signatures in favour of the urgent Duma meeting.

Labor Union Rejects Immunity for Duma Candidates

LD0111172795 Moscow INTERFAX in English 1410 GMT 1 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 1 (INTERFAX) — The Russian Trade Unions & Industrialists — Labor Union electoral bloc repudiates immunity guarantees for its candidates for State Duma deputies, and calls on all other electoral associations to join them, Labor Union leader Vladimir Sherbakov said at a press conference in Moscow Wednesday.

Asked by INTERFAX which blocs and associations may join the draft agreement on rejection of immunity guarantees, Sherbakov mentioned Yabloko (Grigoriy Yavlinskiy). The Labor Union can also rely on the support of the Our Home is Russia movement and Russia's Agrarian Party, Sherbakov said.

He hoped that Russia's Communist Party and Congress of Russian Communities will also join the agreement on rejection of immunity guarantees.

Regional Activities

NDR Supporters Meet in Tambov Oblast

MM0211100495 Moscow ROSSIYSKAYA GAZETA in Russian 1 Nov 95 p 2

[Report by Yevgeniy Pisarev: "Under the Roof of Their Home"]

[FBIS Translated Text] Tambov Oblast — More than 10,000 supporters have come together under the auspices of the "Russia Is Our Home" [NDR] movement in the Tambov area.

The movement enjoys more sympathy in the cities than it does in the country, where the Agrarians wield great influence. So far NDR enjoys little support at converted enterprises and among those who have suffered most from the reforms.

Those facts were reported to your ROSSIYSKAYA GAZETA correspondent by Viktor Bukatin, leader of the NDR's Tambov regional branch, at a meeting of NDR supporters.

According to him, the movement's program is now being "run in" in the regions. An editorial commission has been set up to supplement its provisions and to take account of the interests of the provinces and the countryside.

The regional branch meeting was quite well attended. The cornerstone of its program was the attendance of Vladimir Bashmachnikov, the country's main private farmer, leader of the Union of Landowners and a member of the NDR movement's Coordinating Council. And, most probably for this reason, the discussion at the meeting boiled down to the age-old Russian problem — the land issue.

V. Bashmachnikov believes that the NDR movement will find the going tough in the black-red area of Russia, as he put it. Consequently, it will be necessary to carry out painstaking explanatory work among the peasants and owners of plots of land. Newly established private farmers will have to be intelligently helped with loans — with assistance going mainly to those who are already enjoying growth.

Ryzhkov Meets With Belgorod Oblast Voters

MM0111162095 Moscow PRAVDA in Russian 1 Nov 95 p 1

[Report by Viktor Maslinin: "We Will Defend the Land Like Prokhorovka"]

[FBIS Translated Text] N.I. Ryzhkov has received accreditation as a prospective State Duma deputy in No. 62 Belgorodskiy single-seat district. This seemingly ordinary incident has a special feature. Among the 15 candidates registered in this district there were no representatives of the CPRF [Communist Party of the Russian Federation] or the Agrarian Party of Russia [APR], despite the fact that the Communists and Agrarians were the first to name their nominees here.

Assessing their chances realistically, left-wing electoral blocs agreed that they would make concerted efforts to secure the election in No. 62 district of N.I. Ryzhkov, chairman of the USSR Council of Ministers in 1985-1990 and leader of the "Power to the People!" electoral association. He has already begun campaigning in the district.

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Nikolay Ivanovich shared his impressions of his meetings with voters:

"I was pleased that the meetings were attended not just by mature and elderly people, but also by young people. My audience at the Belgorod Agricultural Academy was virtually the largest. It is good that students are taking a keen interest in the social problems of the agrarian sector. Their mood coincides with the peasantry's stance. Villages supported vigorously my negative approach to the buying and selling of land (this does not apply to truck gardens or orchard and dacha plots). One of my interlocutors said bluntly: 'If our land is taken into private hands, we will take up pitchforks and assault rifles. We will defend the land as our fathers defended it in 1941-1945, as it was defended on the fields of Prokhorovka.' The people must not be incited to civil war!

"But the incumbent authorities' economic policy is insistently driving the working people into opposition. Here are a few examples. There are 11 sugar refineries in Belgorod Oblast. All the depots are crammed full of produce, but there is imported sugar in the stores. The authorities' admiration for imports is crippling: Over the last five years the proportion of national vitamins on the domestic market has dropped by more than a factor of three. By and large, from my meetings with the people of Belgorod I got the impression," N. Ryzhkov concluded, "that they were sick of the current 'pseudoreforms' and will no longer vote for the 'democrats.'"

Election Guidelines

Orenburg Complaint Against Chernomyrdin Rejected

MM0111135395 Moscow RABOCHAYA TRIBUNA in Russian 31 Oct 95 p 2

[Report by Anatoliy Nikolayev: "Passions Over Power. In the Murky Waters. Russian Court of Appeal for Information Disputes Has Not Kept out of Election Campaign"]

[FBIS Translated Text] Let us deal for once and for all with the official document adopted by the Court of Appeal for Information Disputes under the Russian Federation President. The more so as the topic of discussion for today — the "untaintedness" of the struggle not only between different parties but between, as we have now come to call them, individuals — is more than alarming.

The essence of the matter is as follows: At the beginning of September Russian Federation Government Premier Viktor Chernomyrdin visited his native region — Orenburg Oblast. He appeared on local television there. No sooner had he left than Yu. Nikiforenko, chairman of Orenburg Oblast Legislative Assembly Credentials Committee, fired off a letter in his wake to the Central Electoral Commission, saying that the premier had broken the law on election campaigning and that for this reason the "Russia Is Our Home" movement should be excluded from participating in the election campaign.

The application was passed on to the Court of Appeal. It studied the materials presented to it by the "Orenburg" television and radio company, and listened to what its managers had to say. Despite receiving repeated invitations, Yu. Nikiforenko himself declined to take part in the investigation of the matter. Which is not surprising: There had been no violation of current legislation on election campaigning.

V. Chernomyrdin's interview was about economic and other matters of relevance to Orenburg Oblast, but it certainly did not concern any putative campaign to nominate candidates for the State Duma.

The decisions simply says the following: "Taking into consideration the groundlessness of the claims made by Yu. Nikiforenko and his refusal to have the applications submitted by him examined, the Court of Appeal regards his application as an improper way of conducting political struggle."

In summary: The application to the Russian Federation Central Electoral Commission is groundless.

It cannot be denied that the fervor of the election campaign is great. And each day brings new signs that the road to the much sought-after deputy's seat in the State Duma will not only be paved with good intentions.

Forecasts & Commentary

Yavlinskiy Views TsIK, Economy, Presidency Bid

MM3110155195 Moscow KOMSOMOLSKAYA PRAVDA in Russian 31 Oct 95 pp 1,2

[Interview with Grigoriy Yavlinskiy, leader of the "Yabloko" Electoral Bloc, by Ravil Zaripov on 29 October; place not given: "There Is a Place for 'Yabloko'... The Major Scandal of the Election Campaign: The Central Electoral Commission Has Refused To Register the Most Influential Democratic Movement" — first four paragraphs are KOMSOMOLSKAYA PRAVDA introduction]

[FBIS Translated Text] It is hard to believe that Nikolay Ryabov is unaware of the confidence that Grigoriy Yavlinskiy and his associates enjoy with the voters. But surely no one doubts that "Yabloko" represents a serious threat to many of its rivals.

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In the opinion of the majority of analysts, the decision of the Central Electoral Commission [TsIK] and its chairman, Nikolay Ryabov, may be viewed as a provocation aimed at postponing the elections or reducing them to a complete farce.

The "Yabloko" public association has collected 930,000 signatures, 500,000 of which have been presented to the Central Electoral Commission (200,000 are needed for registration). Some 421,000 of them have been accepted. Now that all the official deadlines for the submission and examination of documents have passed, the Central Electoral Commission has decided that six of those people on the list submitted their documents incorrectly or too late. Therefore, in Mr. Ryabov's opinion, the million signatures collected in support of the "Yabloko" movement across Russia do not count as far as the Central Electoral Commission is concerned.

It goes without saying that Sunday's meeting between your KOMSOMOLSKAYA PRAVDA correspondent and Grigoriy Yavlinskiy began with an assessment of the current situation.

[Yavlinskiy] The elimination of the "Yabloko" bloc from the elections is in direct violation of the law which gives only two reasons why registration can be refused. The first is a failure to collect the necessary number of signatures, the second is a breach of the procedure for the nomination of candidates. "Yabloko" has not committed either of these violations of the rules. The whole movement cannot answer or pay for six people who missed the deadline for collecting the documents needed for their registration on the list. We could not wait any longer, which is why these six people were deleted from the list.

Does the Central Electoral Commission believe that the rights of these six people have thus been violated? Well, in the first place, this department's tasks do not include the interpretation of the law, even less do they include deciding who may take part in the elections or not. The Central Electoral Commission is trying to judge which day Comrade Dudkin from Yakutia wanted to submit his application. In our view, if Comrade Dudkin and the others believe that their rights have been violated they have a legal right to take the "Yabloko" movement to court — the latter will deliver a verdict, not the Central Electoral Commission.

I would like to point out here that when the Liberal Democratic Party of Russia [LDPR] deleted 12 people with a criminal past from its list Mr. Ryabov did not notice that fact. It is obvious that certain political forces are conducting a concerted action to undermine confidence in the elections and turn them into some kind of unseemly game.

In my view a powerful political grouping has developed in Russia with roots in the upper echelons of power and is interested in destabilizing the situation in the country and disrupting the elections.

[Zaripov] Grigoriy Alekseyevich, what steps do you intend taking in this situation?

[Yavlinskiy] We will go to the Russian Supreme Court after we receive the official registration rejection from the Central Electoral Commission. We are responsible for the million signatures that we collected and for the million votes cast for us by the Russians in the previous elections. I hope that we will obtain satisfaction from Nikolay Ryabov.

[Zaripov] The scandal over the Central Electoral Commission's decision has broken out against the background of a worsening economic situation in Russia. In your view, what are the main reasons for its deterioration?

[Yavlinskiy] Economic life in Russia today is being sustained by the export of oil and gas resources. We are exploiting the discrepancy between our prices and world prices. The hard currency revenue is going not into production but into expensive services. The extraction of raw material resources is declining.

With inflation at 6-8 percent the establishment of the foreign currency band creates enormous difficulties. Prices are rising constantly and the ruble seems to be strengthening. Thus exports are becoming impossible and imports are beginning to flood into the country. It is becoming cheaper to buy aluminum in Switzerland than to produce it at home.

As a result the aim of the government's economic policy is not to treat the disease but to constantly try to keep down the feverish patient's temperature, saying to him as you show him the thermometer: "Everything's fine, your temperature is 36.6 degrees."

[Zaripov] Everyone knows how to criticize today, but when it comes to doing anything constructive they say nothing.

[Yavlinskiy] I agree. There are three priorities for me. Education and health care must be accessible to all and there must be security for all, individually and collectively. The elimination of monopolies and the implementation of privatization, not wholesale but in the light of specific circumstances, are connected with this. The compulsory payment of taxes — not high taxes but mass payment. It is necessary to cut expenditure on the upkeep of the state apparatus (the repair of the White House cost the taxpayer $500 million and the equipping of the State Duma's premises cost $370 million). There

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must be an end to the export of Russian capital. Some $15-17 billion leave the country each year.

The next nine months will determine the country's long-term future. We are standing at the crossroads. One road leads to a normal life, the other to gangsterism. If we make the wrong choice it will be very difficult to turn back in three to four years' time. And do not believe those who promise that life will improve immediately they are elected. If the policy is right things will start to get better in about two years at the earliest.

[Zaripov] Will you take part in the presidential elections?

[Yavlinskiy] Without doubt, if they are held. My decision does not depend on the outcome of the issue of the "Yabloko" electoral association's registration. I will take part in the presidential elections. And I will win.

[Zaripov] As a rule, the authorities abuse their potential. Can you rectify the present situation?

[Yavlinskiy] You are right. That is why the authorities must be changed like a baby's diaper. Then it will have a sense of responsibility. And that is not all. It is necessary to ensure that the top officials in the state are not tainted by corruption. In Russia today there are enough professionals capable of exposing crime, especially such flagrant crimes as the murders of Kholodov and Listyev. However, the investigations have been going on for years now, although this is not because the authorities are incapable. They are afraid and do not want to solve the crime. Supposing the law enforcement organs get hold of the wrong thread?

[Zaripov] Grigoriy Alekseyevich, it is no secret that a nostalgia for Soviet power is becoming increasingly apparent among the population. People are saying that it is time to go back to the Communists. Are you against the Communists?

[Yavlinskiy] We are not fighting the Communists, we are fighting poverty. However, we do not need the power of the Soviets but the power of the people and the power of the law.

Our type of policy is one of openness and modesty. And you will see that we can work that way. We are not old people and we can survive four years as we have survived everything that gone before — this is no hardship. On the other hand I will feel that I am a real man. And I will be able to look you in the eye.

Ryabov Interviewed on Yabloko Decision

LD3110163595 Moscow NTV in Russian 1635 GMT 30 Oct 95

[From the "Hero of the Day" program]

[FBIS Translated Excerpt] [Yevgeniy Kiselev] Good evening! A major political scandal that erupted is still in the focus of the public's attention, the media, and political figures today [30 October]. It erupted yesterday after the Central Electoral Commission refused to register the Yabloko bloc, one of the favorites in the pre-election race. It is headed by Grigoriy Yavlinskiy. Therefore there is no doubt that the "Hero of the Day" today is Nikolay Ryabov, chairman of the Central Electoral Commission, who took the decision that concerned everyone so much. Ryabov agreed to take part in our program, but in view of the fact that the Central Electoral Commission was sitting until late this evening, we recorded the interview with him three and a half hours ago in his office. So here is Nikolay Ryabov, hero of the day!

[Begin recording] [Kiselev] Nikolay Timofeyevich, did you see yesterday's interview with Grigoriy Yavlinskiy in "Itogi"?

[Ryabov] Partly.

[Kiselev] Partly. Do you know that he considers the actions by the Central Electoral Commission, which refused to register the Yabloko bloc — he said that Nikolay Timofeyevich Ryabov is a bully. He did not even rule out the possibility that it was done on a political order. What do you think about that?

[Ryabov] It is his business to give value judgements. We are being accused of carrying out a political order from right and left. [passage omitted] It is not a matter of carrying out a political order. It is not a matter of bullying. The fact of the matter is that we are implementing the law connected with the organization and preparation of the elections and we are following that law. As far as the Yabloko electoral association is concerned, it was not easy for us to make that decision, and it is sad that we have not been able to find an appropriate way out of the situation apart from adopting a decision to refuse to register it. Although there were possibilities and we proposed such possibilities — so as for bullying — they refused. Evidently such a solution was to their advantage.

[Kiselev] Pardon me, but what did they refuse?

[Ryabov] They refused to bring their documents into line with the demands of the law. They think that everything is alright with them. [passage omitted]

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[Kiselev] Can you explain please what is the formal reason for refusing Yabloko's registration because the situation is not clear?

[Ryabov] I would speak not of a formal reason but of a legal basis for refusing its registration. The legal basis, in particular, is that it failed to observe Article 37 of the law on the election of deputies to the State Duma, which says that after the Central Electoral Commission has approved the federal list, any changes in it connected with the numbers, make-up, or distribution of people within the list itself are not allowed except if a person leaves.

[Kiselev] So, for example, if a candidate, has refused or changed his mind or is taken ill or something like that?

[Ryabov] Refused, changed his mind, died, taken ill, gone abroad, changed his citizenship, and so on and so forth. These are the grounds on which changes in the list are allowed. A certified list is kept by the commission and signatures are gathered on a copy of it. Therefore, if there are any violations in the list, these violations are of an essential nature. Speaking about the Yabloko electoral association, they presented documents in which they failed to include people in the federal list and in connection with this they did not submit a registration statement. There were such statements in actual fact.

[Kiselev] Where did these statements come from all of a sudden?

[Ryabov] On Saturday [28 October] there were contradictory reports. They said on Saturday that 13 people had stepped down from the Yabloko election list.

[Kiselev] Who said that?

[Ryabov] Yabloko representatives.

[Kiselev] Yabloko representatives said that 13 people...

[Ryabov, interrupting] Although according to the documents signed by Yavlinskiy there were 15 people! Well, never mind there were 13 people! The next day it turned out that out of these 13 people, who they claimed had not submitted registration statements, six had in fact submitted a statement. But they were not included.

[Kiselev] Where did they submit their statements?

[Ryabov] They submitted their documents to the Central Electoral Commission through their electoral association, as is required by law.

[Kiselev] So you physically had written statements from all of the six out of the 13 who, according to the Yabloko bloc, did not write such statements?

[Ryabov] That is quite right. We had their personal statements. [passage omitted]

[Kiselev] Don't you think that, even if the Central Electoral Commission formally was following the letter of the law down to the minutest detail, by refusing to register Yabloko it has blown up the political situation in the country?

[Ryabov] I partly agree with your assessment of the consequences of the Central Electoral Commission's decision. We are, of course, analyzing not only the legal but also the political consequences of one step or another. It is namely because of this that we did not make a decision immediately. We postponed it for 24 hours. We could have and were ready to postpone that decision further with the agreement of the Yabloko electoral association. But evidently that association has extreme need for a scandal. Well, that is its business.

[Kiselev] What does it need a scandal for?

[Ryabov] I do not know. [passage omitted] Perhaps in this instance, perhaps, I repeat, there was a misunderstanding here. We said to them: Let us try and resolve that misunderstanding. Let us try to so there are no consequences! But it did not heed us. [passage omitted] I want to stress again that we are sad at having to take such decisions. It is hard for us. We wish the decision could have been a different one. It is just that we had on our table documents that ruled out the possibility of any other decision being taken — ruled out the possibility. [passage omitted]

[Kiselev] So, if I have understood you correctly, the refusal of the Central Electoral Commission to register the Yabloko is not the final decision and it may be reviewed?

[Ryabov] Undoubtedly.

[Kiselev] Should Yavlinskiy appeal to the Supreme Court and should the Supreme Court adopt a decision in its favor, the Central Electoral Commission will abide by that decision.

[Ryabov] Undoubtedly.

[Kiselev] But the Central Electoral Commission can find compromise solutions, too, and should Yavlinskiy and his association apply to the Central Electoral Commission again, you are ready to continue that dialogue.

[Ryabov] I think so. [passage omitted]

[Kiselev] Are you sure that the elections will take place?

[Ryabov] Undoubtedly.

[Kiselev] That they will take place namely in the timescale laid down in the law and in the president's edict, that is 17 December?

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[Ryabov] There will be elections of State Duma deputies in the country on 17 December 1995. [passage omitted] [end recording]

Daily Reviews Broadcast Charges for Campaign Ads

MM0111155095 Moscow ROSSIYSKAYA GAZETA in Russian 1 Nov 95 p 4

[Article by Ivan Denisov: "Payment in Full in Advance, Gentlemen! What Is Cheaper: Dead of Night at $500 or Prime Time at $30,000 Per Minute"]

[FBIS Translated Text] The election campaign is gaining momentum. The time is coming when every electoral association, every candidate deputy must show the voter his face. But that requires extensive advertising in the mass media, preferably on television — which exercises complete control over taxpayers' hearts and minds.

In order to somewhat even out the chances of electoral associations, blocs, and individual candidate deputies state (both Russia-wide and regional) television and radio companies envisage giving them free television airtime. In accordance with Central Electoral Commission [CEC] instructions the maximum free air time for blocs and associations will be 30 minutes morning and evening on working days. You won't get far on that, so to speak. But if you are willing and able you can buy time from both state and nonstate television and radio companies.

We have several Russia-wide state companies — ORT, the All-Russia State Television and Radio Broadcasting Company, the "Ostankino" Russian State Television and Radio Broadcasting Company, and the "St. Petersburg-Channel 5" State Television and Radio Broadcasting Company, as well as three nonstate television companies — NTV, TV-6, and the "2x2" TV channel. When you analyze the rates for paid airtime that they have submitted to the CEC you see the main principle behind the scale of charges — payment for airtime generally coincides with advertising rates. The second point is that all the television and radio companies have fixed prices in dollars with disregard for the strengthening of the ruble's positions.

Take the most costly ORTV (Channel One). Minus tax the cost of one minute of advertising time on a working day fluctuates between $1,500 per minute (at the "dead" time between 0100 and 0500 hours) and $30,000 per minute at prime time on Fridays between 1900 and 2200 hours.

The "Russia" TV channel has set the following prices: You have to pay $3,650 per minute in the 0700-0730 slot. And $3,000 between 2355 and 0045 hours.

Radio time will be cheaper. Ranging from 45 so-called standard units (dollars again) for "Yunost" Radio to 350-500 of these standard units for "Radio-1," Mayak," and "Radio Rossii."

The "St. Petersburg-Channel 5" State Television and Radio Broadcasting Company has submitted the most elaborate pricing structure. Having honestly notified clients that the only form of payment for political advertising is payment in full in advance, the television company announced that charges are divided into three categories: live airtime, relay of prerecorded videos, and advertising slots. The most expensive advertising comes on Saturdays and Sundays between 1930 and 2045 hours at $3,000 for 30 seconds, while the cheapest is on workdays between 1300 and 1900 hours at $600 for the same 30 seconds.

NTV is also honest with its political advertisers. Warning that video clips can occupy no more than 15 percent of all air time, the company has said that it will not provide other kinds of election campaigning (interviews, press conferences, election debates, etc.). It has thus cut out all manner of intermediary "dealers" who might have made a killing out of election money by organizing these events for candidates. Incidentally, virtually all television and radio companies have taken a similar stance.

What about charges for video clips? It is not necessary to ask NTV about this, what you have to do is look at the "Video International" production company price list — this company holds the sole right to place advertising on this channel. The price list says that if you prefer the "Tennis at Midnight" program, one minute will cost $800, but if you place your advert in "Itogi" be prepared to pay $28,000 per minute.

The "2x2" Channel has done something similar. It has also announced that sales of its advertising time are handled by the unknown giant of the national television business, "Video International," and once again referred to its detailed price charges — from $500 at the dead of night to $4,800 per minute at so-called prime time. Needless to say, without VAT and special tax.

TV-6 is not noticeably different in its approach to charges. If the candidate's face appears during the "Apteka" program at 0830 hours that costs $500, but if it interrupts the weekend serial Baywatch to the viewers' displeasure, you must pay $5,600 per minute.

What comment can there be on this? You need $5-6 million just to appear on air without particularly boring

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the viewer. And you need several tens of millions to "drum" into his consciousness the appearance of the nation's beloved heroic candidate. However, the result is unpredictable — this money may cause the nation to hate the "hero" once it has looked into its taxpayer's pocket. After all it is ultimately the taxpayer who pays for everything.

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CIS Experts Ask United Nations for Cooperation

LD3110115295 Kiev Radio Ukraine World Service in Ukrainian 0800 GMT 31 Oct 95

[FBIS Translated Text] Talks by a group of experts from CIS countries, devoted to working on a package of documents on issues of developing relations between the CIS and international organizations, ended at the CIS headquarters. The main aim of the two-day meeting was to prepare joint decisions for the next meeting of the CIS Council of Foreign Ministers. The sides decided to ask the United Nations to include on the agenda of the UN General Assembly the issue of cooperation between the CIS and the United Nations.

Caucasian Republics Pool Efforts To Settle Conflicts

LD3110181595 Moscow ITAR-TASS in English 1513 GMT 31 Oct 95

[By Ruslan Maisigov]

[FBIS Transcribed Text] NAZRAN, October 31 (Itar-Tass) — Experts from Georgia, South Ossetia, the Russian Federation, North Ossetia and the Organisation for Security and Cooperation in Europe converged on Vladikavkaz, the Northern Caucasus, today to draft full-scale negotiations on the settlement of the conflict between Georgia and North Ossetia.

The group was set up on the initiative of Georgian leader Eduard Shevardnadze and President of North Ossetia Akhsarbek Galazov to hammer out agreements on confidence-building measures, guarantees of security, the status of South Ossetia and restoration of economic and cultural ties between Georgia and its break-away autonomy South Ossetia.

Also today, President of the Ingush Republic Ruslan Aushev called on the population of his republic to make fresh efforts in order to restore law and order in the republic after three years the wasteful and bitter conflict between the Ossets and the Ingushis. The president told his people to beware of provocations devised to spark off a new upsurge of fighting.

He said such acts of provocation abounded lately and pointed in particular to the incident at Ingushetia airport on October 24 in which one Ingushi was killed and four others were injured and the slaying of four Russian border guards in an ambush on Ingush territory a few days ago.

The president said those acts aimed to draw Ingushetia into a active fighting and eventually lead to a major war in the south of Russia.

He said the forces interested in building up tension stepped up their activities after the Russian president demanded that law and order be restored in the republic to enable the involuntary migrants and displaced people to return to their homes.

President Aushev called on the Ingush people to render all possible assistance to the law enforcement bodies in their efforts to bring life in the republic back to normal.

ITAR-TASS Carries Press Review for 2 Nov

LD0211080695 Moscow ITAR-TASS in English 0522 GMT 2 Nov 95

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW, Nov 2 (Itar-Tass) — Russian newspapers continue to pay attention to the state of President Boris Yeltsin.

The Russian president's first assistant Viktor Ilyushin said in an interview with the Rossiyskie Vesti newspaper that "the state of Boris Nikolayevich Yeltsin is better as compared with the previous days".

Ilyushin referred to information received by him daily from doctors treating the president.

"There is nothing to worry about, Yeltsin is smoothly recuperating," Shamil Tarpishchev, head of the Coordination Committee for Physical Culture and Sports, said in an interview with the trade union newspaper Trud.

He visited the Central Clinical Hospital on Wednesday and spoke with Sergey Mironov, one of the top executives of the medical centre at the president's office, who "is in daily contact with Boris Nikolayevich".

"If Yeltsin's health was in a serious condition, head of the president's security service Aleksandr Korzhakov, one of the closest aide of the president, who is duty-bound to be always next to the Russian head of state, would not play tennis every morning," Tarpishchev noted.

The Nezavisimaya o newspaper carries an interview by Russian Defence Minister Pavel Grachev with journalists. Turning to the Chechen conflict, the minister said that "he has never been chairman of 'the party of war,' including Chechnya," Grachev stressed.

However, the situation in Chechnya prods the minister to the path of war, the newspaper notes. "I cannot put up with the fact that Russian soldiers are being killed and civilians destroyed," the newspaper quotes the minister as saying.

Former president of the Soviet Union Mikhail Gorbachev comments in the same newspaper on the coming meeting of the CIS heads of government to be held in Moscow on November 3.

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In Gorbachev's opinion, "it is impossible to restore the USSR in its previous form," but it is necessary to look for the solution of mutual economic interests. Gorbachev also believes that "it is necessary to implement joint military programmes of CIS countries and to think about Russia's strategic interests".

Writing on the topic of the coming general elections, the Izvestiya newspaper front-pages an article entitled: "If Communists carry elections, new nationalisation is inevitable." The daily returns to an attempt by Communist parliamentary group to railroad two bills on nationalisation of privatised property.

The bills were almost approved. Only active resistance from the group of Vladimir Zhirinovskiy who envied (according to the newspaper) that the initiative was not sponsored by the Liberal Democratic Party of Russia, prevented the approval of the bills.

The newspaper believes that such an attempt will be successful in a new Duma (Russian parliament lower house), since the latest events indicate a victory of left-wing forces at the elections.

Rossiyskiye Vesti carries an interview with General Boris Gromov, the leader of the My Homeland election bloc. Gromov seeks "to participate legislatively as a specialist in settling questions on Russia's military and economic security as well as construction of the Armed Forces".

According to the general, he would start changes in the construction of the Russian armed forces "with a review of the Russian military doctrine."

Writing on a scandal with the non-registration of the Yabloko bloc by the Central Election Commission (CEC), the Komsomolskaya o newspaper quotes an opinion of Irina Khakamada, the leader of the Common Cause election movement.

"The scandal was a logical consequence of drawbacks incorporated in the law on elections to the State Duma," Khakamada stressed. "The very law which the Yabloko parliamentary group pushed through the Duma. In Khakamada's opinion, "neither Yavlinsky nor the CEC are to blame. The law should be criticised."

In an article published by Izvestiya which is entitled "Criminal bridle put on the freedom of speech," Yuriy Feofanov, editor-in-chief of the Zakon magazine, returns to a judgement passed by a Moscow municipal court on the Grachev-Poegli case, quoting materials from the plenary meeting of the Russian Supreme Court of October 31.

Speaking at the meeting, Tamara Morshchakova, deputy chairman of the Constitutional Court, said that the right of citizens to the protection of honour and dignity is unquestionable. However, the right to the freedom of speech and the press should also be inviolable. The newspaper claims that defamation cases should be examined not as criminal but as civil.

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Russian, Greek Defense Ministers Issue Statement

LD0111200395 Moscow ITAR-TASS World Service in Russian 1835 GMT 1 Nov 95

[By ITAR-TASS correspondents Yuriy Malinov and Vladimir Malyshev]

[FBIS Translated Text] Athens, 1 Nov (ITAR-TASS) — The process of settling the Bosnian conflict should be implemented by peaceful, political methods, and with the sides to the conflict approached on the basis of equal rights, reads a joint Greek-Russian statement issued in Athens today on the results of Russian Defense Minister Pavel Grachev's official visit to Athens. -During the visit, meetings were held between Grachev and Greece's President Konstandinos Stefanopoulos, Prime Minister Andreas Papandreou, and Foreign Minister Karolos Papoulias, and talks took place with National Defense Minister Yerasimos Arsenis.

Having stated the importance of an active part to be played by Russia and Greece in the development of a peace process in Bosnia-Herzegovina, the two sides stress their interest in jointly promoting international peacekeeping initiatives, both by North Atlantic alliance states and by the Russian Federation and other countries.

Exchanging views on the most pressing European security issues, the sides note that the present military-political situation in the world requires a fundamentally new approach to the development of relations between states and international military-political structures. They stress the important role which Russia and Greece can play in ensuring stability in Europe based on a partnership.

Their dialogue focused on bilateral relations, in particular on Russian-Greek military cooperation. As a result of their talks an agreement on military-technical cooperation was signed. It envisages mutually beneficial and equal interaction between their defense industries in updating armaments systems, deliveries of arms and military equipment, and the training of specialists.

The Russian defense minister's visit to Greece — the first such visit in the history of the countries' bilateral relations — has been an important step in the development of cooperation between the two countries' military departments, the document stresses. The ministers express themselves in favor of implementing Russian-Greek military-political dialogue on a regular basis.

Greece 'Satisfied' With Visit's Results

LD0111210595 Moscow ITAR-TASS World Service in Russian 1756 GMT 1 Nov 95

[By ITAR-TASS correspondents Yuriy Malinov and Vladimir Malyshev]

[FBIS Translated Text] Athens, 1 Nov (ITAR-TASS) Greek Prime Minister Andreas Papandreou today received Russian Defense Minister Pavel Grachev, who was visiting Athens.

After the meeting, Greek Defense Minister Yerasimos Arsenis, who took part in the meeting, said that the Greek side was fully satisfied with the talks held during the Russian minister's official visit, and with their results. Bilateral cooperation in the sphere of defense and armaments, as well as subjects relating to the situation in the region and, above all, in Bosnia-Herzegovina, were discussed. Arsenis expressed great satisfaction with the fact that there was a considerable proximity of views between Greece and Russia regarding the situation [in Bosnia-Herzegovina] and added that a decision had been taken that bilateral cooperation and an exchange of opinions should continue at a top level.

We told the Greek prime minister about the work done during the visit, Grachev said. The prime minister approved our actions and recommended that we should implement all the measures specified in the Agreement on Military and Technical Cooperation and intensively develop interaction between our states.

During his visit to Greece — it was the first visit by the Russian defense minister in the history of relations between the two countries — Grachev signed the Agreement on Military and Technical Cooperation. Under the agreement, Russia is to provide assistance to Greece in training specialists to service military hardware from the former German Democratic Republic, which was made in the USSR and to supply spare parts and ammunition for it. The countries will develop cooperation in training officers and exchange visits by military delegations and ships.

The Russian minister was received by Greek President Konstandinos Stefanopoulos and talks were held at the Ministry of National Defense.

After the meeting with the head of the Greek Government the Russian minister left for Moscow.

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Grachev, Perry To Meet in Brussels 8-9 Nov

LD0111201995 Moscow INTERFAX in English 1643 GMT 1 Nov 95

[From the "Diplomatic Panorama" feature: by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] MOSCOW, Nov 1 (INTERFAX) — Russian and American Defense Ministers Pavel Grachev and William Perry are expected to meet in Brussels November 8-9, a source in Russian Defense Ministry told INTERFAX Wednesday.

Grachev and Perry will, in particular, discuss forms of Russia's participation in the peacekeeping operation in Bosnia "outside NATO's structures," said the source. "Russia is in favor of other countries' participation in the multinational peacekeeping forces, those who wish to take part in the operation though they are not members of the alliance."

At the recent meeting in Washington, Grachev and Perry reached agreement on joint operation of Russian and U.S. military contingents at the second stage of the operation, to be started after disengagement of warring parties, the source said.

Russian and American special forces, to be subordinate to an American general with a Russian officer as deputy, will transport cargo and clear the land of mines. They will also assist in returning refugees.

"Joint special detachments are planned to be introduced in the conflict zone a month after the peacekeeping operation starts," the source said.

Ministry Prepares For Future Cooperation With Balkans

LD0111192895 Moscow ITAR-TASS World Service in Russian 1320 GMT 1 Nov 95

[By ITAR-TASS diplomatic correspondent Viktor Khrekov]

[FBIS Translated Text] Moscow, 1 Nov (ITAR-TASS) — Progress in the peace process is urging Russia to look at cooperation with the Balkan states in the post-crisis period, Grigoriy Karasin, director of the press and information directorate at the Russian Foreign Ministry told an ITAR-TASS diplomatic correspondent today. He said that the "ministry is drawing up relevant proposals, both for the general concept of relations and for concrete directions of cooperation, and submitting them to the country's leadership."

"We are not ignoring the difficulties and attempts to push Russia aside in the Balkans," the diplomat said. These attempts, according to him, "are already showing" during preparations for the forthcoming period of economic recovery in the region. "But it will not be possible to do without Russia there since we are talking here of the urgent recovery of the spheres in which our country is traditionally present, such as gas supplies and updating the power- engineering structure."

"Our clients in the region are interested in military and technical cooperation with us," Karasin said. These issues are being discussed, however on the understanding that any concrete moves will not be taken until the international embargo has been lifted."

Further Comment on Balkan Cooperation

LD0111211695 Moscow ITAR-TASS in English 2054 GMT 1 Nov 95

[By Viktor Khrekov]

[FBIS Transcribed Text] MOSCOW, November 1 (ITAR-TASS) — Russian diplomats favour the earliest possible lifting of sanctions on Yugoslavia and are working out issues of cooperation with the Balkan countries "with a focus on the post-crisis period," a Russian official said.

The Russian Foreign Ministry is preparing proposals, both general and specific, for the country's leadership, ministry spokesman Grigoriy Karasin told ITAR-TASS on Wednesday [1 November].

In his view, the extensive system of relations with the former Yugoslavia provides a solid basis for such cooperation.

"We are not turning a blind eye to the difficulties and attempts to edge Russia out of the Balkans," he said.

These attempts "make themselves felt already now" as Russia is making preparations for the next stage of economic restoration in the region. "They won't be able to do without Russia there because this will involve a priority restoration of areas in which our country has been traditionally present — gas supplies and the modernisation of power infrastructure," he added.

Karasin dwelled upon prospects for cooperation with each of the Balkan republics. Speaking about Yugoslavia, he noted that "while working for the soonest possible lifting of sanctions, we have made a good start for moving towards full-scale cooperation with that country when they are lifted."

On Slovenia, the spokesman stressed that Russia is prepared for all forms of cooperation, including investment in construction, transportation, power engineering and light industry.

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"Obviously we are approaching the point where these issues will have to be discussed at the level of the heads of government," he added.

Karasin assessed relations with Croatia as "good," adding however that "there are many people who want to drive a wedge between us." He said agreements are ready on the construction of a gas pipeline and on oil supplies, as well as on the encouragement and protection of investments.

"Good progress" has been reached in relations with Macedonia. The two countries are stepping up political consultations and a Russian deputy foreign minister will visit Skopje in the near future, he said.

He noted that issues pertaining to future cooperation with Bosnia-Herzegovina were discussed during its Prime Minister Haris Silajdzic's visit to Moscow. "Our countries are close to signing an inter-governmental agreement on trade and economic cooperation," he said.

"Our partners in that region are also interested in military-technical cooperation. We are now studying these issues, provided that specific steps will be taken only after the international embargo is lifted," Karasin said.

Rybkin: Belgrade Sanctions Cost Russia $50 Billion

LD0111173495 Moscow INTERFAX in English 1410 GMT 1 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 1 (INTERFAX) — State Duma Speaker Ivan Rybkin says Russia sustained $50 billion worth of damage, which makes up 150 percent of this year's budget revenues, by joining the economic sanctions against Belgrade more than three years ago.

In a speech to deputies of the Moscow regional duma on Wednesday, he described Moscow's involvement as thoughtless and of little effect.

Rybkin said the sanctions failed to stick as indicated by the emergence of advanced weapons on one of the warring Bosnian sides. He said this lesson raised hope for unity of action by politicians of all leanings in protecting Russia's national interests in future.

On the Duma-approved social security laws, he said the law on social security benefits to war veterans costing over 7 trillion rubles to implement was quite feasible. Rybkin, quoting expert estimates, said that more than 7 billion rubles worth of unplanned revenues could help enforce the measure already this year and not saddle the regions with this burden. On criticism of the Duma-drafted Criminal Code, the speaker said no one had prevented ministries and departments from participating in fleshing it out.

He accused the government of a lack of legislative initiative, saying governments in other countries were responsible for 70 percent of all law-making compared with a mere 20 percent by Russia.

Ivanov: Yugoslav Crisis Settlement Enters 'New Stage'

LD0211093595 Moscow ITAR-TASS in English 0825 GMT 2 Nov 95

[By Ivan Lebedev]

[FBIS Transcribed Text] WASHINGTON November 2 (ITAR-TASS) — "The process of a political settlement of the Yugosav crisis enters now a basically new stage: the start of a direct dialogue between the leaders of Bosnia, The Union Republic of Yugoslavia and the Republic of Croatia on key problems of construction of a peaceful life," said on Wednesday [1 November] Russian Deputy Foreign Minister Igor Ivanov, speaking at the opening of negotiations on Bosnia at a U.S. Air Force base in the Ohio state.

According to the deputy minister, "this breakthrough in the long search for a political solution of the acute conflict has become possible thanks to a feeling of realism and high responsibility to their peoples, displayed by the leaders of these states, as well as to insistent efforts by the leaders of Russia, the United States, leading European States, active cooperation within the Contact Group, great assistance from the United Nations and other internatiuonal organisations".

Following four years after the start of the tragedy on the Balkans, one should state that this conflict has brought nothing but grief, sufferings and destruction, noted Ivanov.

There are no and could not be victors in this war. All are losers: Serbs, Croats and Moslems as well as Europe as a whole.

Therefore, he continued, "our common task is to hummer out such a formula which would ensure an all-round and just settlement on the basis of equality of all peoples in Bosnia and Herzegovina, their realistic demands for a constitutional set-up, territories, a return of refugees and diverse tasks of a post-conflict period".

"The negotiating process which we open today and which will be later continued in Moscow, London and Paris, should be crowned with achievement of such understandings that will bring a long-awaited peace and stability to the Balkans," Ivanov stressed.

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Speaking at the opening of the negotiations, Karl Bildt, co-chairman of the Coordination Committee of an international peace conference on former Yugoslavia, said in turn that "we should not lose an emerging chance to establish peace in Bosnia".

"Such an opportunity to stop the tragedy in Bosnia and the conflict in Croatia will not turn up again," he said.

"We want to see Bosnia a single, multinational and democratic state where human rights, the rights of minorities and the rights of refugees to return to places of residence are fully recognised and fully observed," the EU representative stressed.

Kozyrev Praises New Yugoslav Envoy's 'Timely' Visit

LD0111181195 Moscow ITAR-TASS in English 1712 GMT 1 Nov 95

[By Valeriy Sevryukov]

[FBIS Transcribed Text] MOSCOW, November 1 (ITAR-TASS) — Russian Foreign Minister Andrey Kozyrev praised the United Nations' new Yugoslavia envoy Kofi Annan's for his "timely" Moscow visit.

Annan, who on Wednesday officially replaced Japanese diplomat Yasushi Akashi, arrived in Russia for talks with Foreign Ministry officials.

Kozyrev said Russia hoped for successful cooperation with the Ghanaian diplomat in his new, although temporary capacity. (Annan is to hold the position until January, 1996.— Eds.).

Annan is well-known in Russia for his acting as U.N. under-secretary in charge of peacekeeping, the foreign minister told the press before meeting the international mediator.

After recent celebrations of the 50th anniversary of the U.N. which involved Russian President Boris Yeltsin, it has become clear that all conditions are in place to "breath new life" into U.N. activities, Kozyrev said.

In the light of the opening of Yugoslav peace talks (in the United States), it is especially important that the U.N. does not abstain from the effort, the foreign minister noted.

Further Interview of Surikov on NATO, Baltic Issues

MM0211093395 Moscow SOVETSKAYA ROSSIYA in Russian 2 Nov 95 p 7

[Interview with Anton Surikov, expert at the Russian Institute of Defense Studies, by Saveliy Khasidov, date and place not given: "Who Is Dying To Get Under the Wing?"]

[FBIS Translated Text] [Khasidov] When it comes to nuclear weapons the United States pursues its policy exclusively in the interests of its own country and world hegemonism; what is the state of play with conventional weapons?

[Surikov] The situation is largely similar in the sphere of the Treaty on Conventional Armed Forces in Europe [CFE]. Russia's CFE partners had until recently been refusing to meet Russia halfway on the question of so-called flank quotas. That is, they were refusing to agree to allow Russia to have as many heavy weapons as were needed for the country's defense in service with the North Caucasus and Leningrad Military Districts, rather than the amount laid down by the treaty — which was concluded in November 1990 under quite different military-political conditions, when the Soviet Union and the Warsaw Pact still existed. It was only when it became clear that, were that line to be pursued, Russia would unilaterally refuse to carry out this part of the CFE Treaty, that NATO started showing a willingness to take Russia's interests into account. But in return it was demanded that Russia withdraw its objections to NATO's eastward expansion.

The West is obviously attempting to counteract the integration trends operating within the CIS. This is most overt with respect to Belarus, which is more ready than the other former Soviet republics to embark on close integration with Russia. But, on the whole, this opposition, along with NATO's eastward expansion, the activities of Turkey and the Western oil companies in the Caucasus and the Caspian, the attempts to force Russia to unilaterally disarm and prevent it having access to world markets for high-tech products, and, finally, the economic model imposed on Russia by the IMF and the World Bank, are all just links in the same chain — the creeping expansion by the United States and its allies with the ultimate goal of eliminating Russia as a state and turning its territory into a raw-materials colony of the Western countries.

Forceful opposition to NATO's eastward expansion is very pressing. At the same time, in the event of Poland and other East European countries being admitted to the alliance, it is obvious that Russia would have no real ability to prevent this by force. And threats that are not backed up by corresponding action merely discredit a state. An example of that was Russia's reaction to the NATO military operation in the Balkans in September 1995. Nor is there an obvious need to create a CIS military bloc — in particular, to involve the Central Asian countries in opposition to the NATO bloc. As for

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Ukraine, it is clear that it will refuse to participate in any such military alliance in the foreseeable future.

The situation as regards Belarus looks different. There, close military cooperation should be developed on a bilateral basis. And a key element in that cooperation should be the deployment of tactical nuclear weapons on Belarusian territory as well as in the Kaliningrad special region and at Baltic Fleet naval bases. The need for such a step lies in the fact that for economic reasons Russia today cannot afford the large army that the USSR had 10 years ago.

NATO's force and conventional armaments numbers in Europe are now two to three times bigger than Russia's. Once Poland, Hungary, and the former Czechoslovakia have joined the alliance, this gap will grow still further. Under these circumstances the only possible and economically feasible approach is to deter NATO by relying on tactical nuclear systems capable of nullifying the enemy's conventional superiority. In other words, the idea is to adopt the strategy used by the NATO bloc itself during the Cold War years. And we are talking not only about the Western Theater, which includes the former Soviet-Polish border and the Baltic Sea, but the Northern Theater, covering Russia's border with Norway and the Barents Sea, and the Southern Theater, covering the Black Sea and Russian bases in the Crimea, Abkhazia, Georgia, and Armenia — tactical nuclear weapons should be the basis of Russia's defense in all three European theaters.

[Khasidov] How should Russia act with respect to the former Soviet Baltic republics that are dying to get under NATO's wing?

[Surikov] The Baltic situation is entirely different from that of East Europe. A neutral status for the Baltic republics — similar to Finland's status during the Cold War — would probably be in line with Russian interests. But in the event of NATO deciding to admit the Baltic republics, Russian Federation Armed Forces would have to be sent into Lithuania, Latvia, and Estonia.

Russia would have every legal and moral grounds for taking such a step. First, the expansion of NATO's military infrastructure to this region would pose an extreme threat to the Russian Federation's national security interests. A similar situation from the U.S. standpoint — the "Caribbean crisis," when at Cuba's request the USSR embarked on the deployment of nuclear weapons on its territory — resulted in a naval blockade of the island by the United States and direct threats of military invasion, and led to the most acute crisis of the Cold War era.

From Russia's standpoint, the admission of the Baltic countries to NATO would be no less of a threat than the deployment of Soviet nuclear weapons on Cuba once was from the U.S. standpoint.

Second, illegal undemocratic regimes similar to those which used to exist in South Africa and Southern Rhodesia exist in Estonia and Latvia. In these bi-ethnic republics one ethnic group has been arbitrarily deprived of its civil rights by the other, which has usurped all power. Under these circumstances, the section of the population that is being discriminated against (the so-called "noncitizens") are entitled to set up their own parallel power structures. In the event of force being used against them, they would be entitled to appeal to Russia for armed support. As for Lithuania, it does not recognize the "Molotov-Ribbentrop Pact." Consequently, Russia and Belarus are entitled to recover Klaipeda and what is now the Vilnius region [Vilenskiy kray].

Third, the Baltic is a crime zone that survives mainly through smuggling and is run by mafia structures. Given the precedent of the U.S. invasion of Panama and the arrest of General Noriega, Russia would also be entitled to arrest and bring to trial in Russia a whole slew of Baltic leaders. Obviously, a Russian return to the Baltic would be accompanied by the deportation to the West of those persons who have besmirched themselves by their complicity in discrimination against people of a different ethnic group, and those who do not want to live in republics where the range of civil rights does not depend on what ethnic group you belong to.

'Calm Tone' Hoped For in U.S. Statements on Elections

LD0111173995 Moscow INTERFAX in English 1410 GMT 1 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 1 (INTERFAX) — Moscow believes that Washington "continues to follow events in Russia attentively." This is its reaction towards the White House press secretary Michael McCurry's statement regarding the registration rejection faced by the Yabloko electoral association, Russia's Foreign Ministry Spokesman Grigoriy Karasin said at a briefing in Moscow Wednesday.

McCurry described this decision by the Central Electoral Commission as "as a decision arousing concern," according to mass media reports.

Russian Foreign Ministry is not inclined to see this statement as a attempt to demonstrate how to hold an election campaign in Russia, Karasin noted.

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He assumed that U.S. representatives would preserve "a calm tone" in their statements on Russia in the future.

U.S. Relations Russia's 'Undisputed Priority'

MM0111160295 Moscow KRASNAYA ZVEZDA in Russian 1 Nov 95 p 3

[Article by Mikhail Pogorelyy under the "Observer's Notes" rubric: "The Russian Policy of the American White House"]

[FBIS Translated Text] The October meeting of the Russian and U.S. presidents was neither "historic" nor "momentous." Nor were there any sensations. But it is perhaps in the everyday workmanlike, strictly business character of these talks that their historic significance lies. Some journalists noted almost with disappointment that the Yeltsin-Clinton summit resembled an ordinary meeting between Clinton and the leaders of France, Britain, or Germany. But that should not be disappointing, on the contrary, it should inspire hope — our countries' relations are becoming normal, free from the veneer of nervous, hysterical expectations: Will they reach agreement or not, will something come of it, or will there be a furor?...

The attitude of the United States of America, or at least its leadership, toward our country has in the past 10 years undergone truly revolutionary changes. Open enmity ("the Soviet Union is the evil empire," the source of the military threat) and prolonged, permanent brinkmanship on the verge of an all-out global armed conflict are sinking more and more firmly into history with every day that passes. But things have not yet reached the stage of a sincere and selfless friendship between Russia and America. For this unique transitional period, the two sides have found the convenient, simultaneously fine-sounding and not too binding expression "partnership."

After the 1991 revolution (that is a more accurate expression than the vague "breakup of the USSR," which does not reflect what happened subsequently to the former components of the USSR), in both Russia and the United States a kind of euphoric hope prevailed that there was a real possibility of a quick and painless transition from confrontation to fraternity and alliance. The leaders and to a considerable degree the public of the two countries saw the foundations for this in their common historical and pragmatic political interests and in the fundamental similarity between the great powers' positions in the world.

Experience dampened this enthusiasm. It turned out that our states' interests and positions differ after all, as do the objectives of significant sectors of their societies. That is why even the meaning and content of "partnership" are often interpreted differently in Moscow and Washington.

The Americans stated immediately — and they still stand firm on this — that the essence of supposedly qualitatively new relations with Russia lies, in principle, in ensuring reliable security for the United States, preserving and consolidating America's leading positions in the world arena, and increasing the economic well-being of every American family. That is, the objectives remain unchanged. But the means of achieving them have changed somewhat. Instead of sanctions and other drastic moves to thwart the Soviets, what was set in motion was political declarations and even laws on support for democracy, freedoms, and human rights in Russia and promises of economic support. But the process of granting credits, investments, and scientific and technological cooperation, which seemed to have been set at a minimum level, did not work out and did not develop to its full theoretical power, coming up against the persistent de facto limitations, bans, quotas, and licenses and encountering other, less obvious, but still quite powerful obstacles.

And these lie precisely in the differences between Russian and U.S. state interests. The American side concentrates its main efforts on its own security, in this case through support for stability across the vast expanses of Russia, and not on cultivating a mighty superpower-rival. Therefore, if you look at, say, the financial component of our countries' relations, what strikes you is a bias toward disarmament that is entirely out of proportion with the talk of "partnership." This area swallows up at least half, if not more, of all the resources that were supposed, in theory, to serve the cause of the formation and consolidation of democracy and market reforms in Russia. The United States — both the state proper and private corporations, with state encouragement and support — is far more willing to promote the conversion of enterprises in our defense industry than to develop Russia's high-tech industry, and is more inclined to expand contacts with small business than with industrial giants on the strength of their specific profile. Ultimately even those conversion projects that are considered exemplary involve leaders of the Russian aerospace industry starting up the production of American hearing aids and tasteless fizzy "Double Cola."

However, it would be both wrong and futile to accuse America of a reluctance to develop Russia's industrial potential. It is strictly following its own course, financing the destruction of nuclear weapons and, with small dollar injections (700-800 million a year, through government channels, for all the former Soviet republics), preserving the "partners" from the temptation of hunger riots and aggressive glances across borders toward the

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neighbors. Here Washington makes skillful use of the fact that the Russian political establishment is highly heterogeneous, not united, and by virtue of that fact pursues different objectives in interaction with America. Sometimes (it happens!) these objectives are really the true state interests; more often they are group interests (on professional, ethnic, religious, or any other lines), and sometimes they are purely personal. The contractors across the ocean see this, sense it — and react accordingly, that is to say, they act — to put it mildly — with restraint.

Here they cite the undeveloped infrastructure, imperfect legislation, rampant corruption, dominance of criminal forces — in short, the absence of clear prospects for development and indeed for the very existence of a unified, strong, governable state on Russia's vast territory. These arguments are certainly justified in part. However, exactly the same factors by no means prevent a normal relationship between the United States and a whole string of other countries where conditions are not much better than ours. So the disgraceful things that happen everywhere from Moscow to the remotest backwoods are not the point. Obviously real, long-term competition and the desire to avoid it by any possible means form the basis of this restrained and even circumspect approach.

In a recent programmatic speech at the West Point military academy, devoted to an analysis of U.S. policy toward Russia, Vice President Albert Gore, Washington's chief custodian of U.S.-Russian ties, admitted frankly: The question now being decided is whether America can find the resources and courage to hold a leading position in the world in the era following the end of the "Cold War." A world leader can allow itself to help, support, grant assistance — that is natural, that is the right and opportunity of the strong toward the weaker. With equals, it does not work like that. And America is striving with all its might for sole leadership, despite diplomatic talk about the "multipolarity" and "diversity" of the world and the burden of internal problems. The desire to be the first, the best, and from those heights to teach others, to help them and give them guidance in developing the economy, culture, and the sociopolitical system — that is an inalienable feature of the American national character. There is no point in scolding the Yankees for this, although it is also no use taking all their postulates on trust. But taking this into account is absolutely essential in order to structure our mutual relations correctly.

And the main thing is that we must define our own position honestly and clarify precisely what we expect, what we want, and what we categorically do not want in our contacts with the States and with their people, industry, culture, armed forces, etc. That is to say, once again, we cannot do without a single, integral, and clear state foreign policy doctrine defining not only Russian-U.S. relations but also their relationship with other components of our foreign policy strategy (such as Russia's approach to the United Nations, the European regional organizations, and other states) and their place in the whole mosaic of world politics. And then it will become clearer how to act and what to expect in contacts with the United States, and on which problems it is better to appeal to the United Nations or other countries.

All the same, the development of friendly and, more than that, really good-neighborly (and in the long term, of course, even alliance) relations with one of the most developed, powerful, and prestigious states in the modern world is an undisputed priority of Russian policy. In just the same way America's leaders, taking into account Russia's role and place in worldwide development, disregarding criticism from left and right, and even spicing up their practical steps with rhetoric that is appropriate to the moment, still persistently follow a course of interaction and cooperation with Russia. Because that is the objective need of today and, undoubtedly, tomorrow.

Uranium Equaling Russia's 'Reserve' Sold to U.S.

MK0111150895 Moscow ROSSIYA in Russian, No. 37, 1-7 Nov 95 p 2

[Report by Yuriy Svetov: "Has All Russia's Uranium Been Sold to the United States?"]

[FBIS Translated Text] Based on an analysis of foreign sources, the newspaper SANKT-PETERBURGSKIYE VEDOMOSTI has reported that the first 600-kg shipment of weapons-grade uranium has been sent from St. Petersburg to the United States. This became possible following an agreement signed by high-ranking Russian and U.S. officials. Incidentally, in a conversation with your ROSSIYA correspondent Viktor Yugin, a deputy in the Supreme Soviet disbanded two years ago, claimed that interest in the details of this unprecedented deal was one reason for the cooling of relations between the executive and the legislative branches. One can well agree with this, considering that even today the VEDOMOSTI investigation has caused sincere surprise among people who by virtue of their official duties simply must have the relevant information. The facts, carefully hidden behind diplomatic screens, were partially brought to light: In August 1992 an agreement was concluded for Russia to sell 500 metric tonnes of weapons-grade uranium from its dismantled warheads for $12 billion. Not a single Russian official made any comment, unlike White House Press Secretary Michael McCurry, who described

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the transaction as "a very significant achievement in the sphere of foreign policy." The essence of the deal — in the Voice of America's opinion, the "disarmament of America's former adversary" — is quite understandable, because the uranium to be sold is equivalent to 30,000 nuclear warheads. The Americans plan to reprocess it into fuel for 160 units in their own nuclear power stations, thus providing them with fuel for the foreseeable future.

It follows from the YADERNOYE RASPROSTRANENIYE [Nuclear Proliferation] bulletin that 500 tonnes constitute Russia's maximum [predelnyy] nuclear fuel reserve.

Moscow Disapproves of Separatist Trends in Turkey

LD0111181695 Moscow INTERFAX in English 1643 GMT 1 Nov 95

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] Russia does not approve or encourage separatism in Turkey, whatever side it comes from, according to an official statement by the Russian Foreign Ministry read out by its spokesman, Grigoriy Karasin, at a briefing in Moscow Wednesday.

The ministry condemns attempts to represent a seminar on the Kurdish problem as a "third session of the so-called parliament of Kurdistan in exile," he said. The State Duma geopolitics committee and the International Union of Kurdish Social Organizations are holding the seminar in Moscow.

These attempts were undertaken by "some participants of the seminar, including foreign citizens," the statement went on.

"The Foreign Ministry of the Russian Federation condemns similar actions and states that the Russian official authorities have nothing to do with them. Russia has consistently supported comprehensive and mutually profitable relations with neighboring and friendly Turkey," according to the document.

Soskovets Welcomes Economic Cooperation With Japan

LD0111145695 Moscow ITAR-TASS in English 1326 GMT 1 Nov 95

[By Oleg Velichko]

[FBIS Transcribed Text] MOSCOW, November 1 (ITAR-TASS) — Russian First Vice-Premier Oleg Soskovets met representatives of the Japanese company Marubeni at the House of Government here on Wednesday.

Soskovets said he welcomed Japan's participation in Russian conversion projects for Far Eastern enterprises.

According to the vice-premier, Japan is too slow to set up ventures in Russia. "Japan's capital is widely used in China but not in Russia and this is incorrect," he noted.

At the current stage of the reforms, Russia will give preferences to companies which will not take politics into consideration but which will be engaged only in business, he said.

The vice-premier noted that the most promising spheres of cooperation with Japan are the oil and chemical industry, cargo transportation, conversion of defence enterprises in the Russian Far East and reconstruction of oil refining and chemical enterprises.

Soskovets also dwelt on Japan's paying for textile produce, chemicals and steel imported from Russia. Russian enterprises need payment in advance, he noted.

Kazuo Haruna, chairman of the board of directors of Marubeni, confirmed the readiness of his company to promote Japanese export of high technologies for Russian conversion programmes. He also briefed the Russian vice-premier on the negotiations with the Russian joint stock society Gazprom on constructing pipe lines and a project for using a humanitarian loan allocated by the Japanese government.

'Odious' Plan To Import Taiwanese Nuclear Waste Seen

MM0211100095 Moscow IZVESTIYA in Russian 1 Nov 95 p 3

[Report by Sergey Agafonov: "Taiwanese Waste Amid Russian Birches?"]

[FBIS Translated Text] Tokyo — Japan's ASAHI newspaper has reported that Russia is holding talks with Taiwan on storing Taiwanese nuclear waste on Russian territory in return for payment.

According to statements from Taiwanese representatives quoted by the Japanese newspaper, Russia and Taiwan have already signed a memorandum on the export of Taiwanese radioactive waste, and it is planned to organize shipments of "test batches" of the toxic cargo (virtually this year) and to conclude a long-term contract moving on to regular "commodity exchanges" next year. The size of the possible consignments of Taiwanese waste to Russia is not given in tonnes, but we are talking about several thousand tankloads.

Apart from Russia, judging from the article, Taiwan is also looking at other homes for its radioactive dumps — namely, the Republic of the Marshall Islands. But

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that island state, unlike Russia, has not yet reached the memorandum stage, nor the stage of test consignments of radioactive waste.

ASAHI states that Taiwan's need to export its waste has become acute in connection with the fact that existing dumps are already full to overflowing, there is limited potential for building new ones, and environmental protests are becoming serious in scale. The Japanese newspaper stresses that the transfer of Taiwanese radioactive waste to Russia promises to set a precedent for such business around the world, and Japan should pay close attention, since the Japanese also have major problems with their own radioactive waste. Why not dump it in Russia as well?

As far as we know, no official Russian representatives have spoken openly as yet about the start of this new, profitable business. Russia, of course, now enjoys freedom — not least economic freedom — but this deal is too odious. Who, ultimately, will profit from it? Where will the Taiwanese "goods" be buried and how diligently? Has an environmental impact survey into this radioactive waste been carried out? Has permission been obtained from the local and central authorities to go ahead with the project? These questions need to be answered — and fast. We have not yet reached the point of taking deliveries.

Russia, Iran Agree on Caspian Sea, Nuclear Cooperation

LD0111183495 Moscow INTERFAX in English 1602 GMT 1 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 1 (INTERFAX) — Russia and Iran "proceed from the assumption that the legal status of the Caspian Sea is a regional issue" which "must be resolved according to international treaties with the participation of all Caspian countries on the basis of consensus." The common stand of the two countries was expressed during the Deputy Russian Prime Minister Aleksey Bolshakov's working visit to Tehran on October 29-31, Russian Foreign Ministry Spokesman Grigoriy Karasin told a briefing in Moscow Wednesday.

According to him, the talks in Tehran demonstrated that there is broad agreement between Russia and Iran on issues related to the legal status of the Caspian Sea and cooperation between Caspian states, which "makes possible an even closer coordination of activities between the two sides."

Karasin said that Bolshakov delivered to Tehran a message from Prime Minister Viktor Chernomyrdin to Iranian President Ali Akbar Hashemi-Rafsanjani.

Speaking about nuclear cooperation between Russia and Iran, Karasin said that the sides "reiterated the intention to fulfill their commitments under intergovernmental agreements."

According to Karasin, Russia and Iran stressed the exclusively peaceful nature of their nuclear cooperation and reiterated their readiness to strictly abide by the provisions of the Non-Proliferation Treaty which they had signed.

MVD Spokesman on Hunt for Georgia's Giorgadze

MM0211120795 Moscow ROSSIYSKAYA GAZETA in Russian 2 Nov 95 p 2

[Interview with Colonel Vladimir Vorozhtsov, head of the Russian MVD Public Relations Center, by Sergey Goncharov; date and place not given: "Investigation Under Way: Giorgadze Is a Big Noise. And Remains Uncaught" — first five paragraphs are introduction]

[FBIS Translated Text] The Georgian Prosecutor's Office has petitioned the Russian General Prosecutor's Office to help in the hunt for, detention, and extradition of Igor Giorgadze, former chairman of the Georgian Security Service, and his former subordinates Eduard Naskidashvili and Yuriy Guliyev.

Let us remind you that Giorgadze and his colleagues are accused of organizing the attempt on Eduard Shevardnadze's life 29 August this year and also of being involved in a number of other terrorist acts.

We telephoned the Georgian Embassy and asked David Demetrashvili, leader of the press service, to explain what is behind the second appeal to the General Prosecutor's Office and what view the Georgian side takes on the whole of the progress made in the operational investigation into the Giorgadze case.

"What view can we take," an embassy spokesman said, "when a man who is officially hunted by the police gives interviews to five central Russian newspapers and one television interview? This suggests that he is either in Moscow or in the immediate vicinity since he is able to play such an active part in the mass media and feels secure."

In order to clarify the situation we turned to Colonel Vladimir Vorozhtsov, chief of the MVD [Ministry of Internal Affairs] Public Relations Center.

[Goncharov] How does the MVD regard the group of Georgian investigators who have come to Moscow to hunt Giorgadze?

[Vorozhtsov] Roughly the same as the U.S. police would regard it if a group of our Moscow Criminal

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Investigations Department staffers were to turn up in Los Angeles. The Georgian specialists can only be here as private individuals, they do not have the right to carry out any official inquiries, never mind an arrest.

[Goncharov] Do you rule out the possibility of their finding Giorgadze before the MVD and trying to get him out of Russia?

[Vorozhtsov] That would be a most flagrant violation of international legal norms and naturally the MVD will try to prevent that turn of events.

[Goncharov] Does the MVD have experience of arresting and handing over people of Giorgadze's level?

[Vorozhtsov] In what way do you think he is special?

[Goncharov] He is special in that he was quite recently one of the five most influential men in Georgia and has probably maintained links and to some extent influence in Russia and the other CIS countries (according to IMA-PRESS, lists of 1,500 people who cooperated with his department were taken from the state security chief's safe).

[Vorozhtsov] We are not singling out Giorgadze as some kind of special individual. Wanted men, including prominent criminal ringleaders, are constantly being handed over. You probably know that in late September a well-known Rostov swindler was handed over to us. We in turn recently handed over two wanted men to the FBI — Shustrov and Belokopytov. So, this practice has been well organized and does not require any special measures.

Gonchar Interviewed on Integration With Belarus

MM0211092195 Moscow KOMSOMOLSKAYA PRAVDA in Russian 1 Nov 95 p 2

[Interview with Nikolay Gonchar by Vasiliy Ustyuzhanin; date and place not given: "Nikolay Gonchar: Russia and Belarus have the Same, Very Well Financed, Enemies"]

[FBIS Translated Text] [Ustyuzhanin] In May the Belarusians voted unanimously for further integration with Russia. In what forms do you see that alliance? The well known politician Boris Fedorov, for instance, sees Belarus as being equal in status to Tatarstan....

[Gonchar] What do we want in general, to jump or to walk? Yes, there are wise men who see Belarus as the 90th component of the Russian Federation. But let us build a house from the foundations. Integration has many schemes. In any option there are four standard freedoms — the freedom of movement of commodities, manpower, technologies, and information. That is where we must begin the unifying process.

[Ustyuzhanin] Who or what is preventing this?

[Gonchar] Two things have caused enormous harm to integration. The war in Chechnya and the criminal situation in Russia. The Belarusians' criminal situation is better and they rightly fear that this disaster will pass on to them too.

It is more complex to overcome other barriers. The idea of integration has serious opponents. And these are not people whose careers took off in connection with 1991. There is a serious lobby in various power structures. These are very intelligence and very well financed people. And they are thinking up effective ploys. For instance, they state that the integration process will wreck the presidential elections in Russia. This is a very perfidious and well calculated ploy by our opponents — causing the elections and referendum to collide head-on.

[Ustyuzhanin] But why must the question be decided through a referendum — a painfully expensive pleasure?

[Gonchar] Because the state structure on both sides must be stable and firm. Because guarantees are needed. Guarantees against anyone coming in Moscow or Minsk and saying: "Boys, sovereignty is better." So the question must be put to the vote and decide through the direct expression of the people's will. Nostalgic sentiments are strong throughout the CIS area as are memories of the single state in which we lived, albeit not affluently, but peacefully and in friendship, looking into the future with optimism (I say this without a trace of irony). That is a positive factor.

[Ustyuzhanin] Belarus and Russia are pioneers. What next? Ukraine?

[Gonchar] God forbid that other CIS states try to use Russian-Belarusian integration (we do not speak of forms) as a means of pressurizing Ukraine. In elaborating documents we have no secrets. You cannot turn the idea of integration into an element of the domestic political and foreign political situation. It must be done so that this scheme is mutually advantageous and gives more freedom primarily to our countries' citizens.

We must understand now that our windows look out onto Ukrainian, Kazakh, and Belarusian windows. There is no foreseeable prospect that they will open onto the English Channel. We will continue to live next to each other.

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Border Talks With Estonia Yield Concrete Results

MM0111163595 Moscow KRASNAYA ZVEZDA in Russian 31 Oct 95 p 3

[Report by Sergey Knyazkov: "Down to Business in Pskov; Concrete Results Achieved in Russian-Estonian Talks on Border Issues"]

[FBIS Translated Text] According to the head of the Russian delegation, Vasiliy Svirin, for the first time since bilateral talks began in April 1992, "good foundations have been laid for further progress toward completing work on a treaty on the Russian-Estonian state border in the near future." Svirin ranked Tallinn's "unambiguous confirmation" of its intention to continue the dialogue with Moscow while renouncing all territorial claims against Russia as one of the positive results of the Pskov meeting. Also of considerable importance is the fact that the two sides' final statement records their mutual recognition of the border as it now stands — both on land and at sea. Finally, it was stressed that we have succeeded in moving the talks "from the realm of verbal battles into the domain of specific, painstaking, practical work."

In addition to the plenary sessions, the talks were held in three working groups. The first group discussed a draft treaty on the border; the second — a draft treaty on the line followed by the border on land and in the area of the lakes; and the third — a draft treaty on the demarcation of maritime space in the Narvskiy Zaliv [Narva Laht] and the Gulf of Finland. Vasiliy Svirin noted that work on the border treaty was the most difficult. Particularly when Estonia made additions to an article of the draft treaty, one of which stated that the sides "forever renounce all territorial claims against each other." This did not satisfy Russia, of course, because it had never had any territorial claims against Estonia....

Work in the other two groups focused on maps to more precisely define the course followed by the border. The work was conducted in a good, amicable atmosphere, Vasiliy Svirin stressed. As far as clarification of the border is concerned, Estonia initially expressed an interest in 20 points along the land border which would pass to it. In the course of the discussions, however, it dropped its proposals relating to five of these sections, and Russia agreed to take the rest into consideration. In turn, Russia expressed an interest in five sections of the lake border. The fact is that the border in Teploye Ozero and the northeastern section of Chudskoye Ozero [Lake Peipus] passes through shallow water in several fairly extensive sections, which means that fishing vessels and lake border patrol boats cannot operate without entering Estonian territorial waters.

Vasiliy Svirin reported that groups of experts from the two countries will soon start to coordinate the border's course directly on the spot, taking account of both sides' minor territorial wishes.

It is planned to hold the next round of talks in Estonia on 9-10 November.

Conference Views Regional Transborder Cooperation

MK0111135395 Moscow KOMMERSANT-DAILY in Russian 31 Oct 95 p 4

[Report by Igor Arkhipov: "How To Cross the Border to Feed the Cow"]

[FBIS Translated Text] Over the weekend [28-29 October], an international conference on transborder cooperation between regional and local authorities took place in St. Petersburg on the initiative of the Russian Foreign Ministry, the Council of Europe, the EC Commission, and City Hall. The conference, Russian Deputy Foreign Minister Boris Kolokolov explained, was conceived as part of working out a transborder cooperation conception.

For Council of Europe [CE] member states, the basic statutory acts regulating cooperation between regional authorities is the European Framework Transborder Cooperation Convention (it has already been joined by 18 of the 36 CE member states). The idea of the document is that the states undertake thoroughly to encourage the transborder cooperation of territorial communities and regional authorities. The strips for transborder cooperation are determined by the contiguous territories themselves — in Western Europe, they measure from 10 to 50 km.

In Russia, however, according to Professor Yuriy Tikhomirov, deputy director of the Institute of Comparative Legislation and Jurisprudence Studies under the Russian Federation Government, prospects for transborder cooperation depend on how well these questions are addressed in the [respective autonomous] republics' constitutions and krays' and oblasts' statutes. For instance, the constitution of Tatarstan, which has only internal borders, defines the questions of transborder cooperation in a very detailed manner — unlike the constitution of Karelia, which has an extremely favorable geographic location for international contacts.

Contacts within the framework of the Barents and Euroarctic Council offer a good example of successful cooperation: Russia participates in more than 70 projects. In Kaliningrad Oblast there are more than 400 joint ventures with partners from Poland's Northeastern Wojewodztwo [province]. The conference highlighted the ex-

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perience of cooperation of St. Petersburg and Leningrad Oblast with Baltic and Scandinavian countries. Curious structural shifts are occurring in the Russian Northwest: There is a trend toward a smaller industrial sector and greater new branches, such as tourism and telecommunications. The northern capital [St. Petersburg] has concluded 15 trade and economic cooperation agreements with 11 states. In [the first] nine months [of this year] goods turnover between St. Petersburg and its seven Baltic neighbors reached $202 million (to compare: in the whole of 1994 it totaled $144 million), with Norway and Finland accounting for the largest trade growth. The creation of trade houses, in the view of City Hall officials, is the most promising form of transborder cooperation for St. Petersburg. At present, the city is implementing a project for a Lithuanian wholesale/retail trade center with 100-percent Lithuanian capital. There is a similar agreement with Belarus. Things are a little more difficult with Estonia: The development of transborder cooperation is affected by problems which need to be resolved at the state level, customs barriers in particular.

According to Deputy Mayor Vladimir Putin, the conference will help the "newly emerged Russian neighbors" assimilate the CE experience. "It has so far been impossible to resolve with these countries even elementary problems: how to cross the border to feed a cow or visit a cemetery," said Mr. Putin.

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Political Issues

Further Reportage, Commentary on Yeltsin's Illness

Ilyushin Details Meeting With Yeltsin

LD0111182095 Moscow ITAR-TASS World Service in Russian 1645 GMT 1 Nov 95

[By ITAR-TASS correspondent Tamara Zamyatina]

[FBIS Translated Text] Moscow, 1 Nov (ITAR-TASS) — "The hospital atmosphere is, unfortunately, leaving its mark on the Russian president's appearance, and I am unable to say that he looks well." That was the impression of the first visit to Boris Yeltsin since he was taken to hospital that Viktor Ilyushin, the head of state's first assistant, gained today. According to him, "the president himself realizes that the second attack of ischaemic heart disease in four months is no laughing matter."

In an interview with an ITAR-TASS correspondent, Ilyushin said that he had "talked to the president for 10 minutes." As has already been reported, the doctors who are treating [Yeltsin] at the Central Clinical Hospital insist that visits to the patient must be brief.

Nevertheless, the first assistant discussed quite a large number of matters with the head of state. First, he said, Yeltsin had "forwarded to the State Duma a draft of the second part of the Civil Code of the Russian Federation as a presidential legislative initiative and he invited the State Duma to give it priority consideration." Second, the president decided to appoint official representatives of the head of state in the Federal Assembly for each draft law that is being considered by parliament.

In reply to a question by the ITAR-TASS correspondent whether this decision means that Yeltsin's aide Georgiy Satarov and Aleksandr Yakoleyev, the plenipotentiary representative of the head of state in parliament are insufficient for the president to coordinate ties with the Federal Assembly, Ilyushin said: "It is a matter of the need to enlist highly focused experts in the examination of specific bills."

The president's top aide said that during his visit to Yeltsin "some financial and international issues" had also been jointly examined.

This morning Yeltsin received a report from Nikolay Ryabov, chairman of the Central Electoral Commission in response to the president's question as to why a number of electoral blocs and associations had been refused registration. "The head of state expressed the view that the law on elections is mandatory for all participants in the election campaign, and approved the prompt response by the Supreme Court of the Russian Federation to the electoral blocs' suits," the president's top aide said.

Moreover, Ilyushin continued, "Boris Nikolayevich spoke to the effect that he reserves for himself the fulfillment of those duties, which under the Constitution are the president's prerogative."

Speaking more specifically about the arrangements for further interaction with the president, which was discussed during the 10-minute conversation, Ilyushin said that "soon regular meetings will be planned" between the president's aides and the head of state at whatever time is recommended by doctors in between treatment procedures.

According to Ilyushin, the president is receiving "the traditional assortment of periodicals" daily, including the lengthy list of central newspapers, a round-up of news from ITAR-TASS and other news agencies. In addition, the president has begun to receive reviews of the opposition and world press, and TV program reviews.

Asked about who forms the package of documents for the president's signature, Ilyushin said that as usual this is being done by the head of the office of the head of state together with the first assistant. "I have no evidence to suspect that apart from these documents, someone else is sending additional draft decrees to the head of state for signature," the interviewee said to the ITAR- TASS correspondent. Nevertheless, Ilyushin, answering a question from the correspondent, confirmed that he knows about those publications in which concern has been expressed about the growing influence on the president of Aleksandr Korzhakov, the head of the head of state's security service, the only person from Yeltsin's entourage who was allowed into the Central Clinic Hospital for six days. "Korzhakov does not prevent me from carrying out my duties as first assistant," Ilyushin said.

Yeltsin Not To Meet Chernomyrdin 2 Nov

LD0211074595 Moscow ITAR-TASS in English 0734 GMT 2 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 2 (ITAR-TASS) — "A meeting between President Boris Yeltsin and Prime Minister Viktor Chernomyrdin is not planned today," the President's First Aide Viktor Ilyushin told ITAR-TASS.

At the same time, an official on duty at the Presidential Press Service, whom ITAR-TASS contacted through the "hot line," installed in the Kremlin on Yeltsin's instruction, said that the meeting with Prime Minister

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Chernomyrdin was "among the first" on the President's agenda. This agenda was agreed on Wednesday, when the Head of State was visited by his First Aide Viktor Ilyushin.

In the meantime, Head of the Government's Information Department Sergey Kolesnikov told ITAR-TASS that Chernomyrdin was planning to call on Thursday a meeting of the government and would later have a meeting in the government with key members of the Cabinet to discuss the tasks set before them in the speeches of MPs, delivered during the latest plenary meeting of the State Duma, to which the Premier had reported on the execution of the 1995 budget and on the socio-economic situations in the country.

Daily Views Illness, Election Impact

MK0111135195 Moscow KOMMERSANT-DAILY in Russian 1 Nov 95 pp 1, 3

[Report by Georgiy Bovt and Natalya Kalashnikova: "To the Elections Without a Guiding Hand"]

[FBIS Translated Excerpt] President Boris Yeltsin's illness is the subject of most serious concern — not only for his family and, generally speaking, not only of purely human concern about the fate of a man whose name is associated with the entire history of post-Soviet Russia. But also political concern — both within a country headed for elections and beyond. It is not only about how the political situation will shape up in the run-up to the parliamentary elections in the president's effective absence, but also about the fact that the struggles for the presidential chair could unfold without Boris Yeltsin's participation. [passage omitted]

On Monday [30 October] Viktor Chernomyrdin sought to calm the public: While the president is sick, the power ministers "do business with me." Note, they do not "take orders," but "do business." He sidestepped a question about the "nuclear button" altogether. Incidentally, during Pavel Grachev's flight back from the United States, he was asked about contingencies for fulfilling the functions of the supreme commander. "Don't worry; the defense minister will cope," was the answer. The premier stresses that he has never shunned questions vital to the country. But who today can raise the question of the transfer of power in the first place? The attending [lechashchiy] doctor? The Duma, which has already stopped working? The security service, which today is the only structure that has access to the president? The premier himself, with the Constitution in his hands? No one! Because there is no legal procedure, while any freewheeling on this count will, from the formal point of view, be nothing but a state coup. Therefore, to all appearances, things will proceed according to the "with the president but without him" scenario.

How will this affect the situation in the country? It has already been suggested that the president's illness has been used by "some forces" to provoke a scandal with Yabloko and scuttle elections altogether. Yesterday the president even had to step in and demand, through his press service, "full information" about what is going on — which, incidentally, is a violation of the prescribed treatment procedure. But this is part of an unstoppable character. Otherwise everything has been proceeding without the president. And what if things are not confined to Yabloko alone and the preelection situation in Russia continues to produce one surprise after another? Who will then be the arbiter? Meanwhile, Russia's entire political system today is "focused" on the president, and not just the president, but Yeltsin. Who will seek to take advantage of the situation? The "power structures"? But they are hardly united at present. Some third force, which is so much talked about today? So far it is simply not in evidence. The opposition led by the communists? But they have a chance of coming to power in a legitimate manner, and they do not have to indulge in reckless adventures. Power will be devolved locally? This is quite possible, but in such a huge country as Russia this always verges on anarchy.

Now there is calm on the political scene. The election campaign itself is introducing an element of nervousness. According to confidential sources, in a number of regions Internal Affairs Ministry bodies have received a circular on conducting exercises to rehearse "repulsing provocations against the mass media." Federal special services have been purportedly ordered to heighten their vigilance. Or this little detail: Top regional officials who studied at the Civil Service Academy suddenly hurried home en masse. It is only natural: Elections are around the corner. Also, all gun shops have been closed in Moscow — just in case. But this is the consequence of the terrorist act on Vasilyevskiy Slope.

So the president is receiving medical treatment and things are going their normal way in the country. It is good when there is a well-running economy and the times are calm. But this is Russia, where the new political system has not as yet taken root and where it is still to face the test of elections. After the parliamentary elections it is planned to launch immediately a presidential election campaign. So far Boris Yeltsin has not once stated that he will run for a second term. Now virtually everyone will assume that he will not do this. But nobody can predict how the situation will develop. Unless, of course, Boris Yeltsin names his successor himself. Because only he can end the uncertainty.

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Daily Foresees Possible Chaos

MK0111144295 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 1 Nov 95 p 1

[Article by Aleksandr Budberg: "'Access to the Body.' In a Country With a Sick President, Guards Will Be Able To Decide Too Many Things"]

[FBIS Translated Text] Who would have thought that the president, who is so rapidly losing his onetime popularity, could frighten the country so much by his illness? It became clear after he fell ill that Yeltsin, despite the recently acquired traits of a high-handed landowner, has after all stabilized the situation, making it predictable. Now that he is in the hospital, there is perhaps nothing — the parliamentary elections included — we can be 100 percent sure of.

We can only judge the head of state's condition from indirect clues. The ostentatious aura of A. Korzhakov and Sh. Tarpishchev playing tennis and Naina Yeltsina inaugurating a perfumery in GUM [State Department Store near the Kremlin] attests to the seriousness of the situation, especially because those close to the president are supposed to soothe not only the ordinary people, but also members of the government, with whom they have concrete relationships and who surely have their own sources in the Kremlin's main clinic.

This question is looming large at the moment: From whom do the power ministers and structures, which earlier took orders directly from the president, take orders now? Chernomyrdin made it clear that they should for the time being take orders from him (which is logical), but key questions will be coordinated with the ailing B.N. [Boris Nikolayevich Yeltsin]. Yet, how such coordination can be carried out in practice, when only the guards and doctors are allowed to see Yeltsin, cannot perhaps be said even by the premier himself.

In the meantime, Viktor Stepanovich [Chernomyrdin] has found himself in a very dubious position. While on the one hand he should take the situation in the country under control, on the other he should not bend over backwards since, following B.N.'s possible speedy recovery, many ill-wishers will surely depict this as an attempt to usurp power. This suggests even more that events may develop according to a "third scenario."

Thus far, analysts have been considering the can-the-president-perform-his-duties-or-not alternative. It is quite possible after all that B.N. will remain sick for a long time, and access to him will continue to be restricted, but he will be able to sign edicts and directives. Formally, Yeltsin will perform certain duties; propaganda will postpone his return to the Kremlin every day, but, at the same time, Boris Nikolayevich will not really be able to keep track of and assess information.

This setup is quite realistic, especially since the people who will be able to have access to the head of state in his hospital ward are very interested in it. In this event it will be much easier to obtain from Yeltsin the needed decisions. As for deciding on who the lucky visitors will be, this will of course be done by a very small group of the closest guards and aides, who have excellent excuses in the shape of hospital restrictions. In the past B.N., having taken counsel with his entourage, signed none-too-well-considered edicts that he then abolished following discussions with Chernomyrdin or Chubays. If this is going to be the case this time around, it will be rather difficult to avoid yet another redistribution of oil, gas, and metallurgy. Since new claimants to old riches will be pressed for time, there will be a terrible scramble, and the premier may not be able to get through to the "almost healthy" president.

If precisely this scenario is played out, there will be nothing stable in the country, no one's position will prove firm, and the most valuable thing will be "access to the body" at a price of millions upon millions (of dollars, naturally). The current intrigues will look like kids' pranks.

Thus, against the backdrop of such prospects, even Boris Nikolayevich's out-and-out ill-wishers cannot but wish him to get well as soon as possible — let alone the others.

Ilyukhin Calls For Commission on Leaders' Health

MM0211093995 Moscow PRAVDA ROSSII in Russian 2 Nov 95 p 2

[INTERFAX report: "But Draft Not Adopted"]

[FBIS Translated Text] In Russia now there is no person or body with the official right to establish the "incapacity to work" of the country's president if Boris Yeltsin's illness becomes grave. This was announced by Viktor Ilyukhin, chairman of the State Duma Committee for Security. He expressed regret in connection with the fact that over these two years the State Duma has failed to agree with the suggestion that a law be adopted on a state medical commission whose functions would include monitoring and assessing the state of health of the country's top officials and candidates for these posts.

V. Ilyukhin recalled that in the draft law on the state commission which he prepared the commission would have had control not only of the president and members of government but also of State Duma deputies and leaders of organs of power of the Russian Federation components. But the draft did not even pass its first

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reading in the State Duma. According to V. Ilyukhin deputies of the Liberal Democratic Party of Russia and factions of the democratic spectrum voted against the draft.

Yeltsin Signs Edict To Form Ossetian-Ingush Commission

LD0211105995 Moscow ITAR-TASS World Service in Russian 1001 GMT 2 Nov 95

[FBIS Translated Text] Moscow, 2 Nov (ITAR-TASS) — Russian President Boris Yeltsin issued an instruction to set up a commission for drafting a treaty on the settlement of relations between North Ossetia and Ingushetia and on cooperation between them, the presidential press service reported today.

The composition of the commission was also approved. According to the instruction, Vyacheslav Mikhaylov, Russian minister for affairs of nationalities and regional policy, was appointed chairman of the commission. The press service reports that Boris Yeltsin instructed the commission to draw up the draft treaty by 15 November.

Yeltsin Signs Edict on 'Rostselmash' Company

MM0111122795 Moscow ROSSIYSKAYA GAZETA in Russian 28 Oct 95 p 4

[Edict No. 1046 of the Russian Federation President "On Measures To Provide the Russian Federation Agroindustrial Complex with Grain- and Feed-Harvesting Equipment and State Support for the Restructuring of the 'Rostselmash' Joint-Stock Company," signed by Russian Federation President B. Yeltsin in the Kremlin, Moscow, on 17 October]

[FBIS Translated Text] In order to provide the Russian Federation agro-industrial complex with grain- and feed-harvesting equipment on the basis of the stabilization of the economic activities of the "Rostselmash" joint-stock company and also to implement long-term programs for the development and modernization of Russian agricultural equipment and make it more competitive, I rule that:

1. The Russian Federation Government and Rostov Oblast Administration are to ensure the conclusion of an agreement with the "Rostselmash" joint-stock company on measures to stabilize the production of grain- and feed-harvesting equipment and state support for the restructuring of the "Rostselmash" joint-stock company, bearing in mind the agreement's following conditions:

a) the implementation of measures for the repayment of all funds that have been and are being allocated from the federal budget as state financial support;

b) the elaboration and implementation of a program of financial recovery, stabilization of the production of grain- and feed-harvesting equipment, and state support for the restructuring of the "Rostselmash" joint-stock company;

c) transfer to the supervisory council, formed in accordance with point 4 of this edict, of the functions of representing the state's interests in accordance with the state's shares in the "Rostselmash" joint-stock company and allied enterprises, and also the allocation of the following functions to the supervisory council:

— coordination of the decisions of "Rostselmash" joint-stock company management organs on matters to do with the financial recovery program;

— coordination of decisions on the appointment and dismissal of leaders and other officials of "Rostselmash" joint-stock company management organs, as well as the terms of contracts with them.

2. The Russian Federation Government is to:

— ensure the transfer of 126.5 billion rubles [R] to the "Rostselmash" joint-stock company within 10 days out of funds provided for in the federal budget for 1995 for the formation of a leasing fund — this specifically for supplies of grain- and feed-harvesting equipment to the aforementioned fund;

— organize the supply of the aforementioned equipment in accordance with the established procedure for providing the agro-industrial complex with machine building products on a leasing basis;

— establish a procedure whereby any type of state support granted to the "Rostselmash" joint-stock company has to involve stage-by-stage fulfillment of the terms of the agreement provided for in point 1 of this edict.

3. Organs of executive power in components of the Russian Federation and corresponding organs of self-government are recommended to assist the "Rostselmash" joint-stock company and allied enterprises in acquiring ownership, in particular via free transfer or purchase in installments, of land occupied by them or land allocated for facilities under construction.

4. In order to ensure monitoring of the implementation of the program for the financial recovery of the "Rostselmash" joint-stock company, stabilization of the production of grain- and feed-harvesting equipment and state support for the restructuring of the "Rostselmash" joint-stock company, protection of the interests of agricultural producers who are the consumers of the aforesaid joint-stock company's products, and its creditors and shareholders, a supervisory council is to be set up,

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comprising representatives of the relevant federal organs of executive power, Rostov Oblast Administration, and the "Rostselmash" joint-stock company.

[Signed] Russian Federation President B. Yeltsin

[Dated] The Kremlin, Moscow, 17 October 1995

Chernomyrdin Sees Investment Payoff in 1996

MM0111131095 Moscow ROSSIYSKAYA GAZETA in Russian 1 Nov 95 p 1

[Report by Andrey Shcherbakov: "What Happened in Kapotnya? Viktor Chernomyrdin Rates Highly the Step Forward in Technical Progress Taken Here"]

[FBIS Translated Text] Viktor Chernomyrdin visited the Moscow oil refinery to inspect the polypropylene processing and production shops built there recently by the Italian firm Tecnimont. "Even the smell of this place is pleasant to me. After all, this is the kind of industry that I was raised in," said Viktor Stepanovich, whose working life started at enterprises in the oil and gas industry.

The prime minister surveyed the equipment of the new shops with a professional eye. Chernomyrdin was pleasantly surprised by an unusual souvenir — a glass sphere containing the first piece of polypropylene produced in Kapotnya. Russia, V. Chernomyrdin noted, is lagging behind considerably in the manufacture of this important synthetic product, which has a high level of durability and resistance to wear. He rated highly the cooperation between the Muscovites and the Tecnimont firm.

Today we have seen for ourselves once more that investments will begin working in the very near future, in 1996, and these must be first and foremost Russian investments, the premier stated at a rally in the plant management building. Given the very difficult times that the country is going through, such positive events as the commissioning of new production capacities are very important for us, he stressed. The prime minister made special note of the need to raise the standard of production.

The prime minister (who was accompanied on his visit by [Moscow] Mayor Yu. Luzhkov and Fuel and Energy Minister Yu. Shafranik, by the way) gave a high assessment of the Moscow government's work in this area.

Premier Urges Business, Government To Cooperate

LD0111132495 Moscow INTERFAX in English 1102 GMT 1 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 1 (INTERFAX) — Russian Prime Minister Viktor Chernomyrdin urged closer cooperation between Russian business and the government in market reforms.

"A key task today is to outline principles of relations between government and business, bearing in mind the business community has become a leader of market reforms and a guarantee of stability," Chernomyrdin told the second congress of Russian entrepreneurs opened in Moscow Wednesday by the "Russian Business Roundtable" organization.

"Direct contacts are necessary between government and the Russian Business Roundtable organization," stressed Chernomyrdin. An organization which has members in all 89 Russian regions and 118 public organizations of entrepreneurs, he said, is capable of reflecting adequately the interests of the Russian business community in contacts with the government. "We do not need mediators," said the Prime Minister.

Chernomyrdin positively estimated the draft charter of "Russian Business" to be adopted by the congress and compared the document with the Bill on Honest Competition adopted in the United States in the times of President Franklin Delano Roosevelt. "The draft charter dwells on private businesses, and businesses owned by state enterprises," said the Prime Minister.

Chernomyrdin asked businessmen to think about an agreement on economic stability to be concluded by the government, the business community and trade unions. "There will be no economic stability without social partnership," he said.

The Prime Minister welcomed the idea of the Russian Business Roundtable organization convening an annual international conference of entrepreneurs from states with transitional and reformed economies.

Commenting on recent murders of renowned Russian businessmen, including President of the Russian Business Roundtable organization Ivan Kivelidi, the Prime Minister said he "will do his best to help newly-appointed Interior Minister Anatoliy Kulikov, newly-appointed Prosecutor General Yuriy Skuratov and newly-appointed Director of the Federal Security Service Mikhail Barsukov in their measures against crime in this country."

The second congress of Russian entrepreneurs is being attended by about 500 delegates. It is expected to

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elect new heads of the Russian Business Roundtable organization and adopt a number of program documents.

Yushenkov Urges Joining NATO as Associate Member

LD0111175395 Moscow INTERFAX in English 1410 GMT 1 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 1 (INTERFAX) — Russia can and must join NATO as an associated member, Duma Defense Committee Chairman Sergey Yushenkov declared Wednesday at a round table meeting on the 10th anniversary of perestroika held at the Gorbachev Foundation.

In his opinion, Russia could also be a special observer, or join the political structure of the alliance like France. In this case, NATO would truly be transformed from a defense alliance into an all-European security structure, Yushenkov said.

If an unreformed NATO enlarges to the East cold war times might return, as East European and Baltic countries have nothing else to pay with for their NATO membership but hosting missile bases and alliance troops, said Yushenkov.

Government Presents Duma With New Draft Budget

LD0111180895 Moscow ITAR-TASS in English 1451 GMT 1 Nov 95

[By Pavel Kuznetsov]

[FBIS Transcribed Text] MOSCOW, November 1 (ITAR-TASS) — The Russian Government submitted to the State Duma on Wednesday a new version of the 1996 budget based on an average monthly inflation rate of 1.9 per cent.

The new draft budget was presented at a meeting of the conference committee comprised of representatives of both houses of the parliament and the government.

The commission had to review the draft budget after the Duma turned it down on October 18.

The initial version set the average monthly rate of inflation at 1.2 per cent. However, lawmakers rejected the bill saying that inflation rate was unrealistic.

The new version puts budget expenditures at 402 trillion roubles and budget revenues at 314 trillion roubles, and sets the budget deficit at about 88 trillion roubles.

The gross domestic product is estimated at 2,300 trillion roubles.

Duma's Gusev Criticizes Draft Budget

MM3110160295 Moscow PRAVDA-5 in Russian 27 Oct-2 Nov 95 p 2

[Article by Vladimir Gusev, chairman of the State Duma Committee for Industry, Construction, Transport, and Energy: "The Financial Stabilization Myth and Industrial Realities"]

[FBIS Translated Text] The current State Duma is examining its third Russian Federation annual budget. The very important document is being presented by the same government that formulated the Russian budget in the previous two years, and this gives grounds for talking about the continuity of the present executive authorities' socioeconomic policy.

There is continuity, but of what kind? The draft again provides for a reduction in living standards. Prices are forecast to rise 1.6 times next year (second version of the budget) and pensions 1.3 times. Moreover the population's monetary incomes are planned to rise at a slower rate than the accepted level of inflation. You get a similar discrepancy when you compare the level of pay and the rising cost of consumer goods.

It should be stressed that no government in the world is seeking to increase unemployment. But our draft budget for 1996 continues the policy of cutting jobs. The number of unemployed will increase from 2.5 million in 1995 to 4 million in 1996, which is 4.8 percent of the total labor resources.

What this indicates is not only the antisocial direction of the draft budget, but total political blindness: Only a madman would announce instead of increased employment that voters will be losing their jobs.

There is no provision in the draft for financing the adopted laws "On Restoring and Protecting the Savings of Russian Federation Citizens," "On Social Services for Elderly Citizens and Invalids," "On the Subsistence Minimum."

The new power-hungry politicians used to make serious accusations against the USSR Government. The socialist economy is structurally flawed, they would say: It is excessively militarized and it has a distinct raw materials orientation.

What has been done in 10 years? The high-technology sectors are being destroyed: machine building, electronics, chemical industry, biotechnology, aerospace industry. A new economy of a colonial nature is taking shape.

The draft budget incorporates some dangerous ratios: The volume of production is forecast to fall, the raw

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material sector of the economy will grow again, high-technology enterprises are doomed to face enormous financial problems, and support for industry will shrink even further.

An analysis of the draft budget shows that 68 percent of its income is from production sphere profits. You would think that this eternal source of life for any society would get prime support and encouragement and be at the center of administrative organs' attention. But in 1996 the plan is to continue the policy of destroying Russia's industrial base.

I will give just a few indicators. The proportion of expenditure in the 1996 budget on support for industry, energy, and construction is 2 percentage points lower than in the 1995 budget: Expenditure on investments has been cut by 2.4 trillion rubles [R]. Some R2.2 trillion will be spent on discharging 1995 debts. Some R25.5 trillion remain for investments, of which only R8.9 trillion will be spent on the development of the production sphere — 25 percent less than in 1995.

The biggest blow will be directed at the collapsing enterprises of the military-industrial complex, which ensure the requisite level of national security.

Since the beginning of this year the state's debts to this sector for goods supplied have amounted to R1,836 billion, including R585 billion in unpaid debts on the 1994 state order.

Our country has already lost the ability to produce a number of articles of paramount defense importance.

The draft budget for 1996 allocates only R18.4 trillion (R9 trillion to discharge the 1994-1995 debt) for the purchase of armaments and military equipment in general and for defense research and development work, which means a reduction in the proportion of budget expenditure on this from 6.4 percent in 1995 to 4.3 percent. When you consider the Finance Ministry's understated deflator for 1996 (1.35) instead of the Economics Ministry's forecast of 2.5, practically nothing remains for the defense order in 1996.

The retention of the funding levels envisaged by the Finance Ministry for space activities in 1996 will result in the closure of around 40 percent of existing enterprises, including the "Energiya" space rocket complex, and the loss of 160,000 jobs.

The situation in light industry is even worse. As a result of the "reforms" it has lost three-fourths of its production volume since 1989. A further 20 percent reduction is forecast for 1996 compared with this year's level. Yet it is a sector with a rapid investment turnover. It used to be distinguished by high profitability and could do a good job of replenishing the budget even today. Particularly as all the economics textbooks recommend starting by boosting light industry as a way out of the crisis. But for some reason the "reformers" have overlooked this. Is this because the task is to clear the way for foreign competitors?

Similar managerial indifference is shown toward the coal sector, state support for which is reduced by nearly one-third (taking into account the deflator) compared with this year.

If the program set out in the draft budget is implemented, deindustrialization will become irreversible.

Here are some more facts reflected in State Committee for Statistics reports. The economy is paralyzed by a lack of circulating capital. Specialists calculate that the shortfall is R800 trillion. Mutual nonpayments have increased 1.5 times, reaching R300 trillion. Payments to teachers, doctors, academics, students, the army, miners, and pensioners are two-three months in arrears.

Finally we come to the social consequences of the draft budget for 1996, devised and present by the government to the State Duma. What its adoption means for Russia is:

— the shortest life expectancy for men on the European continent;

— the worst demographic indicators of all the developed countries;

— expensive training for students, making it impossible for underprivileged children to obtain education;

— the increasing introduction of payment for medical services;

— mass closure of children's preschool and recreational establishments.

What can one say, except: Russia cannot survive like that.

Soskovets Criticizes Ministry's Winter Preparations

LD0111162295 Moscow 2x2 Television in Russian 1454 GMT 1 Nov 95

[FBIS Translated Text] First Deputy Prime Minister Oleg Soskovets has harshly criticized the Russian Ministry of Fuel and Power Engineering over its work to prepare the country's national economic complex for the fall and winter period.

At a sitting of the government Commission for Operational Matters, [Commission Chairman] Oleg Soskovets in effect laid the blame for the failure to supply fuel in time to about 10 Russian regions on the top figures in

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the Ministry of Fuel and Power Engineering, and announced that they will be held directly accountable in future.

It emerged at the commission sitting that several major electric power stations are standing idle because of lack of fuel. In the Far East and central Russia, only one third of the necessary quantity of fuel is available.

As regards supplies of fuel to the population and municipal utilities, the opposite situation applies. Depositories are overflowing with fuel, but the price for individuals is insupportable — climbing, for instance, to 1 million rubles for a tonne of coal.

Nazarchuk Disapproves of Private Ownership of Land

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[FBIS Transcribed Text] MOSCOW, Nov 1 (INTERFAX) — Russian Agriculture and Food Minister Aleksandr Nazarchuk said he "regrets that politicians have split farmers" on the issue of the private ownership of land.

"The land problem was in principle resolved by the Russian Constitution," Nazarchuk told a press conference in Moscow today. "Under the Russian Constitution, 90 percent of the country's land is in federal, municipal and private ownership, including 220 million hectares of agricultural land of which about 130 million hectares are ploughed fields," Nazarchuk explained.

Nazarchuk repeated that he had proposed at the Congress of People's Deputies as early as in 1992 that the Constitution be amended. Nazarchuk then proposed that the land strips used by individuals for farming, homebuilding and occupied by individual garages be considered as their owners' private property which they could freely use or sell. "This right remains valid," he added.

With regard to the land problem's deterioration during the election campaign, Nazarchuk said the problem consisted mainly in the possibility of purchasing and selling land used for agricultural purposes.

"Russia lost 15 million hectares of land in the four years of the agricultural reform," Nazarchuk said. "There will be as many vendors of land (which was given after the reorganization of collective farms to their former employees and workers of the rural social spheres — IF) as there were vendors of vouchers," he said.

"Even the majority of farmers will seek free uncontrollable sale of their land strips rather than buy more land," Nazarchuk said referring to the results of the Congress of Russian Farmers-Land Owners on October 27.

With regard to potential buyers of land, Nazarchuk said he deemed it necessary to "see what money they intend to use for this."

Military & Nuclear Issues

Daily Assails Mishandling of Arms Control Issues

MM3110152595 Moscow NEZAVISIMAYA GAZETA in Russian 26 Oct 95 pp 1, 5

[Article by Aleksandr Konovalov, Sergey Korshunov, and Sergey Oznobishchev under the "Alternatives" rubric: "Twilight of Arms Control. What the New Russian Foreign Ministry Leadership Should Do"]

[FBIS Translated Text] We would like to believe that, with the departure of Andrey Kozyrev — which is clearly just around the corner — a chapter in our relations with the outside world that can in no circumstances be a matter of pride will be closed once and for all.

One of the key spheres of foreign policy in which the "Kozyrev era" is leaving an extremely grave legacy is arms control and disarmament. It has to be noted with regret that the entire system of international treaties in the sphere of arms limitation and reduction created during the years of confrontation at the price of tremendous efforts is threatened with total collapse. Of course, this could be said to have been a system based on ideological confrontation and military struggle between two systems, but no new strategy matching the new political realities and taking Russia's vital interests into account has been proposed. The honeymoon when any initiatives from the West and primarily the United States were ecstatically followed was intolerably protracted. And the activity of Russian diplomacy has been dominated by a propagandist approach and pacifist rhetoric. There has been no forecasting or preparation of options for our actions in the event of different scenarios for the development of events.

The disbandment of the Warsaw Pact and the disintegration of the USSR demanded a quest for a totally new model of Russian foreign policy consonant with the country's economic and military potential and the changing demographic situation. The attempt to implement a faceless foreign policy geared to abstract "common human values" was doomed right from the start. The elimination of ideological confrontation created favorable opportunities, but the changed — and not in Russia's favor — correlation between military potentials in both the strategic sphere and the sphere of conventional arms greatly increased the importance of political instruments in safeguarding Russian interests. In these conditions the Foreign Ministry proved incapable of using diplomatic methods to compensate even partially for

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the weakening in Russia's military-political positions at both the global and the regional levels.

Russia, weakened by virtue of objective (a smaller economic and resource potential than the USSR) and subjective (the deep economic crisis and the breakdown of traditional economic ties) factors, had to shoulder the heavy burden of fulfilling the commitments already adopted by the USSR in the sphere of arms limitation and the movements of troops and armaments returning to Russia — movements without precedent in world history. In these conditions there was an imperative need for purposeful work by the Foreign Ministry to explain Russia's difficulties and create more favorable conditions for fulfilling these commitments. You might object that at this difficult time Russia had no external enemies or direct outside military threat, and this is to the credit of our diplomacy. However, it would have been desirable for the lack of hostility on the part of neighbors not to have been accompanied by a lack of any understanding of the problems facing Russia and by frank disregard of Russia's interests. Russian diplomacy failed to prevent such a development of events.

Fateful Point

The most scandalous situation took shape with regard to the Treaty on Conventional Forces in Europe (CFE). It is among the treaties based on the idea of balance between the conventional arms potentials of NATO and the Warsaw Pact. After the collapse of the Warsaw Pact it became totally obvious that this fundamental idea behind the agreement is infeasible. And after the collapse of the USSR the quantitative correlation between NATO and Russia in the conventional arms sphere reached the critical level of almost 3:1; if you add the Central and East European countries to the alliance the figure goes up to 4:1. Such comparisons usually evoke violent protests in the West. It is claimed that quantitative assessments of the balance of armaments are appropriate in relations between hostile countries, but such comparisons are inappropriate between partners. However, the present level of real partnership in the military-political sphere between Russia and the West is still a long way from entirely excluding from our relations the assessments on which the CFE Treaty was based.

Nevertheless, the Foreign Ministry and other departments in practice did nothing to bring this document into line with the new European realities. To date the Foreign Ministry has not come up with any clear arguments intelligible to the West from the "political sphere" to attest cogently to the need to review certain provisions of the treaty and further improve it. How, for instance, can we explain why there is a need to keep 40,000 tanks in Europe today, when there is no military or ideological confrontation? The specific proposals about this prepared by specialists are not being examined in the Foreign Ministry even now.

Aside from the fundamental problems with the treaty because of the radical change in the situation in Europe, which calls into question its appropriateness to present conditions, the treaty's so-called "flank limits" evoke particular dissatisfaction in Russia. These restrictions do not permit us to have sufficient heavy weapons (tanks, fighting vehicles, artillery) in the Leningrad and North Caucasus Military Districts even to equip three full motorized infantry divisions. In fact from the very appearance of these restrictions for Russia (1992) the Defense Ministry began to question them, but the Foreign Ministry could come up with no different, political parameters for safeguarding the country's security to pit against the appetites of the military.

The negotiating process initiated by Russia — within the Joint Consultative Group formed in accordance with the treaty — was poorly prepared. The desire to exclude from the treaty restrictions the 58th Army, which is stationed in Chechnya, appears entirely natural so far as the Defense Ministry is concerned, but can scarcely be supported by diplomats, who realize the destructiveness of unilateral violations of the treaty in conditions where there are no real threats to the country's "higher security interests."

The Foreign Ministry has become involved in a pure "numbers" debate (about the quantities of armaments that our military would like to station on the flanks) and as a result has been led by the nose by the West, which is avoiding discussion of the fundamental issues of the treaty, and has been unable to link this issue with processes taking place in Europe which could open up the possibility of further reductions in conventional arms on the continent.

Effective talks about this problem were not held with other key parties to the treaty, although in 1993-1995 specialists proposed various possible solutions of the problem. Moreover, there are still no productive attempts to resolve this problem at least partially within the CIS framework by revising the quantitative quotas between the former Soviet republics within the bounds of the ceiling for the former USSR.

NATO's recent proposals "On the CFE Treaty Flank Package" do not resolve the Russian problems and require further study, for which there is practically no time left. This development of events was to a large extent predetermined by the fact that the Russian side's arguments for a review of the flank limits were not prepared in such a way as to be taken seriously in the West.

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Another appreciable burden on Russia is the 70,000 items of combat equipment that our military hurriedly withdrew in secret beyond the Urals ahead of the conclusion of the agreement. The lack of proper diplomatic work with Kazakhstan and Uzbekistan, which, besides Russia, have this equipment now on their territory, means that Russia may bear the entire responsibility for fulfilling the unilateral commitments and destroying these arms.

Because of an unwillingness to propose an acceptable compromise, our country finds itself for the first time in the position of a real candidate for the role of "violator" of a signed and duly ratified international accord — unless it proves possible to reach a compromise before mid-November this year. However, any compromise would be merely procedural, and the fiasco of Russia's inability to fulfill its international commitments under the CFE Treaty has already occurred and has set a deplorable and dangerous precedent in the recent history of Russian diplomacy. The reason for this was the Foreign Ministry's inability to carry out the necessary coordination with the Defense Ministry and other departments, and also its inability to perform one of its main functions — monitoring departments' strict fulfillment of Russia's commitments under international treaties. As a result the presidential foreign policy is once again in jeopardy. Needless to say, the West is skillfully exploiting this whole situation as an additional argument in favor of the need to expand NATO and also to toughen up its policy vis-a-vis Russia on a wide range of issues.

"Nuclear" Matters

Russia has played an extremely passive role in resolving questions of the Soviet nuclear legacy. Here, too, the prime mover has been the United States, which acted as mediator between Russia, on the one hand, and Ukraine, Belarus, and Kazakhstan, on the other. Russian diplomacy has been unable to effectively capitalize on the fact that our country is recognized as the only nuclear power on the territory of the former Union. When agreeing to the U.S. proposal for signing the Lisbon protocol, Russia allowed Belarus, Kazakhstan, and Ukraine, which have proclaimed their desire for official nuclear-free status, to have equal status with it as legal successors under the START I treaty, that is, under an agreement on nuclear weapons. Hence the devaluation of Russia's role as heir to the Soviet nuclear weapons, the demands for compensation voiced by the aforementioned three states, and the opportunity for the Americans to play on the contradictions between Russia and these states.

A point that should be particularly noted is Russia's effective consent to "administrative" control by Ukraine over the strategic nuclear forces on its territory, which were included in the Ukrainian Armed Forces. The Lisbon protocol and other documents signed by us contained ambiguous formulas permitting Ukraine to aspire to the role of de facto nuclear power. Despite Ukraine's rather vague provisos in connection with its accession to the Treaty on the Nonproliferation of Nuclear Weapons, we turned a blind eye to them and effectively consented to its joining the treaty as a power proclaiming the right of ownership over the strategic nuclear arms stationed on its territory (that is, as de facto a nuclear power). We thereby helped to consolidate a situation whereby Kiev can delay the withdrawal of nuclear weapons to Russia, demand additional compensation, and, in the event of a deterioration in relations, say over the territorial question, altogether go back on its word. Moreover, with U.S. support, Ukraine — seemingly in accordance with the START I treaty — is laying claim to the right to continue production of delivery systems for strategic offensive arms for use in a nonnuclear context.

A degree of haste was also shown in concluding the START II treaty, the signing of which was expedited by the minister to please the outgoing Bush administration. Although on the whole this treaty, given certain additional work, meets Russian interests and makes it possible to maintain nuclear missile balance with the United States, Russian diplomacy failed to exploit a number of opportunities to obtain a more considered document taking account of the most important Russian interests. This primarily applies to restricting U.S. ASW [anti-submarine warfare] activity against Russian missile submarines, to linking strategic offensive arms reductions with fulfillment of the ABM [anti-ballistic missile] Treaty, to the problem of so-called "return potential," that is, the rapid buildup of U.S. strategic offensive arms in case of need, to eliminating the launch silos of land-based ICBM's, to ways of recycling nuclear munitions which preclude the possibility of their reuse to create new nuclear warheads, to the conversion [pereoborudovaniye] of ICBM's, and so forth. It is extremely strange that Russian diplomats subsequently made no efforts during "routine" bilateral consultations, not even "unofficially" [v rabochem poryadke], to influence the U.S. side to achieve a compromise solution of these problems.

Once again, as in many other instances, the consequences were not calculated here. As a result Russia had foisted upon it a rapid pace and methods (explosive demolition, burning) of eliminating strategic offensive arms that were extremely burdensome from the eco-

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nomic and environmental viewpoints, whereas they are entirely acceptable for the United States. All this complicates for Russia the task of building a balanced strategic triad with sufficient retaliatory potential.

Failures are already emerging in directions that were not closed off in a timely fashion by our diplomacy. Pressure from the Republican Congress in favor of deploying an ABM system for the country's territory — actions prohibited by the bilateral ABM Treaty of 1972 — has increased substantially in the United States. If Russia violates other accords in the sphere of arms control the likelihood of a unilateral withdrawal by the United States from the treaty will increase. However, since guarantees regarding the total immutability of the treaty in the context of the reductions that are being made in strategic offensive arms were not obtained from the United States, at present Russia does not have even formal grounds for "sounding the alarm."

But the most astonishing point is this: A federal program for the development of strategic nuclear forces in the light of Russia's international commitments under the START I and START II treaties has still not been prepared and adopted, as deputies immediately noticed after the START II treaty was submitted for ratification. The Foreign Ministry effectively withdrew from pressing for the preparation of such a program. The wasted time makes approval of the treaty by the State Duma before the end of this year an extremely problematical prospect. And if relations between Russia and the West deteriorate because of violation of the CFE Treaty and decisions in favor of enlarging NATO, the START II treaty may not enter into force at all. Such a scenario would greatly complicate the preservation of Russian-American strategic parity as early as the start of the next decade.

The extension of the Treaty on the Nonproliferation of Nuclear Weapons for an unlimited duration could be regarded as a certain success in the disarmament sphere. However, in any case this is not an achievement of Russian diplomacy. You get the impression that the Western course supported by our country at the conference on extending the Treaty on the Nonproliferation of Nuclear Weapons, a course directed toward obtaining mechanical consensus without voting or principled discussion and without any attempt in the final documents of the policy of countries not party to the Treaty on the Nonproliferation of Nuclear Weapons, and also of "unofficial nuclear powers," did not facilitate the solution of fundamental questions of nonproliferation and strengthening the treaty regime. [sentence as published]

Rather the reverse. The contradictions which existed between the nuclear and nonnuclear countries were simply internalized under U.S. pressure and were artificially closed by the semblance of diplomatic victory. They will unquestionably emerge in the very near future. And in many people's opinion, a notable result of the conference was the fact that Israel effectively retained the status of unofficial nuclear power, which certainly will not help to strengthen stability in the Near East.

Our diplomacy also displayed an inability to defend the country's interests in another aspect of nonproliferation. On the one hand we helped to toughen up the moratorium on nuclear tests despite the fact that Russia was in a less advantageous position here, having declared a unilateral moratorium back in 1986 (the United States joined in this action only six years later). And on the other Russian diplomacy was unable to secure in time the total termination of nuclear tests, although there were extremely favorable preconditions for this in the U.S. position under the Clinton administration and in the position of "pre-Chirac" France.

All this makes it possible to believe that the actions of the Russian Foreign Ministry have done little to improve the state of affairs in the sphere of the nonproliferation of nuclear weapons. However, this ought to have been a priority direction for our diplomacy. After all, it is no secret that the majority of countries that are violators or potential violators of the nonproliferation regime are close to our territory and in certain circumstances could pose a threat to Russia's security.

Something that should be particularly emphasized is the Foreign Ministry's extremely feeble activity to ensure domestic political support for arms limitation and disarmament treaties. Despite direct instructions from the president, the Foreign Ministry has not done proper work with the State Duma on any treaty, even if you assume that they are all entirely in accordance with Russia's interests — whether the START II treaty, the Open Skies Treaty, or the chemical weapons convention — but has often confined itself to sending middle-ranking representatives to parliamentary hearings, which has significantly reduced these agreements' chances of ratification.

Other Equally Important Problems

The absence of international accords on regulating sales of armaments and military equipment, and also dual-purpose technologies, should also be regarded as a serious failure on the part of Russian diplomacy. After the talks among the five main arms exporters in 1991-1992 were broken off (ostensibly through the fault of China, but actually through the fault of the United States, which saw it did not want restrictions on its export policy), the Foreign Ministry on several

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occasions rejected Western proposals to resume the dialogue, despite the fact that we have still not been allowed into Western markets and are being squeezed out and will be totally squeezed out of the Central and East European markets.

In other cases, conversely, the Foreign Ministry has displayed a feverish activity which, however, has failed to produce positive results. Thus, for instance, the creation of a new organ to replace Cocom [Coordinating Committee on Multilateral Export Controls] and the admission of Russia to the missile technology control regime (MTCR) are taking place in conditions that scarcely make it possible to take Russia's specific interests into account. Under U.S. pressure Russia has already been forced (total responsibility for these decisions is borne by the Foreign Ministry, which did not coordinate them with other departments in accordance with prescribed procedure) to abandon advantageous contracts with Iran and also to accept almost all the documents produced (without its participation) in post-Cocom, although a great deal in them is not in line with the country's interests. Russia certainly does not have an interest in contributing to the development of Iran's military nuclear programs, if it has such plans, but implementation of the contracts which it abandoned under U.S. pressure has been taken over by China, and this for some reason has not evoked American protests.

The most important point is that Russian remains on the blacklists of the New Forum member countries (along with Iran, against which this regime is directed!), and there are not even any firm guarantees that it will be removed from them, although this was a condition of our joining the process of creating this organization. However, we had no need at all to hurry to join in work to create post-Cocom: The organization could scarcely have been created without Russia — no Western state aside from the United States would have agreed to this.

A separate topic is the gradual "withering away" of the Geneva Disarmament Conference — the only universal international forum created in the sixties to discuss arms control issues. Important issues such as general and complete disarmament, an end to the arms race in space, transparency in armaments, the prohibition of radiological weapons, and many other issues placed on the agenda thanks to considerable efforts by Soviet diplomacy have effectively been disappearing from its agenda in recent years. Of course, this is primarily down to the United States, which simply does not want the conference. However, our present diplomacy certainly bears a share of the responsibility for unenterprisingly following in the wake of U.S. policy.

Thus the objective difficulties that Russia has encountered in the arms control sphere have not been overcome over the last four years. As a result the comprehensive arms control regime which emerged during the Cold War years, which was to the credit by no means of the Russian but of the Soviet Foreign Ministry and met the interests of the Soviet Union, is today of dubious value to Russia because it requires excessive expenditure from it. At the same time it has not been possible to resolve the new problems that have arisen within this regime. As a result a large proportion of the agreements signed earlier are not being fulfilled. The chances of ratification of a whole series of key treaties prepared largely in Soviet times are extremely doubtful. Finally, within the next few months it can be expected that Russia will be accused of violating a number of most important agreements (the CFE Treaty, commitments in the sphere of chemical disarmament, and so forth). This may have repercussions for other components of the arms control regime.

Reasons for the Failures

It is impossible not to see that the collapse of the arms control regime, which has taken place in many respects through the fault of Russia or, to be more accurate, as a result of the unprofessionalism of the Russian Foreign Ministry's leadership and primarily of the minister and his closest staffers in charge of the disarmament sphere, is extremely disadvantageous to the Russian Federation, which for entirely clear reasons is not ready for another round of the arms race. One of the main reasons for this situation lies in the closed nature of the decisionmaking process and the lack of due attention to scientific studies, alternative proposals, and concern for cadres in this sphere.

The miscalculations in the disarmament sphere are also largely attributable to the fact that the Russian Foreign Ministry leadership has practically erased the positive experience of work by Russian and Soviet diplomats accumulated over the decades in this sphere in both the methodological and the organizational respects. Whereas disarmament issues used to be carefully studied on an interdepartmental basis and then agreed in the course of talks which were sometimes protracted, but which brought advantageous accords, what has now been adopted is a U.S.-proposed plan for "expedited" talks whereby ministers or their deputies — without profound preparation beforehand and detailed talks — rapidly define the parameters of accords. The Americans also use pressure at the highest level in order to "expedite" matters.

The political component of the arms control process has also not been ensured because of the Foreign Ministry's

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inability and reluctance to defend its positions — the arguments of Defense Ministry representatives prevail at a high level of decisionmaking in Russia. And it appears that the "peace dividend," the released funds that other countries have already begun to receive from the very process of disarmament, will be a long time in coming in our country. Largely because of the lack of coordination in ministries' activity and our Foreign Ministry's inability to uphold its own line rather than agree to all the demands of the military, who are fulfilling the essentially noble task of maintaining the country's defense capability. However, it is perfectly natural for the latter to be guided by the thesis that "the more defense there is, the better for the country." Constant political and economic adjustments are also needed here in the light of our international commitments and the state's actual potential.

Analysis of the practice of preparing and fulfilling arms limitation and disarmament agreements and of organizing the process of their ratification indicates that the foreign minister, who is fond of describing himself as a "disarmer," has essentially ducked any active participation in these questions, delegating their solution to the number two and number three people in the ministry. The disarmament sphere, which used to occupy one of the main places in foreign policy activity, has lost its priority importance in the Foreign Ministry. The minister himself and his first deputy used to work actively in this sphere together with the deputy minister in charge of disarmament questions, who was at the same time head of the disarmament component. But now there are effectively no specialists with practical negotiating experience in the sphere of arms control left in the leadership of the Foreign Ministry and its key components.

A vivid illustration of the present personnel policy of the Foreign Ministry leadership is provided by the behind-the-scenes "purge" it is actively carrying out among the leaders of Russian delegations in the most important disarmament spheres. A line of removing the best, strongest, most knowledgeable, and most hardworking diplomats on absurd and farfetched pretexts is being pursued. Proven professional cadres of disarmament specialists are being ruthlessly driven out. The Foreign Ministry leadership is replacing them with people who meet a single criterion — personal devotion.

The damage from this personnel reshuffle is hard to overestimate, since a weak and incompetent leader of a disarmament delegation is a great calamity for the state. And a delegation, contrary to the belief, attributable to a lack of negotiating experience, of one recently appointed deputy minister, should by no means function merely as a "mailbox" automatically relaying instructions from Moscow to the partners in the talks and composing cables informing the center about the reaction. A strong, knowledgeable ambassador is capable of changing the course of talks in our favor, while a weak ambassador who constantly seeks guidance from the center over every trifle is just a burden, and things do not progress.

These matters are simply not reported at all to the president (yet he appoints ambassadors to far less important diplomatic posts). In view of this — not for the first time — legitimate perplexity arises: Why is the Foreign Ministry leadership, which claims to pursue a "presidential" policy, making extremely important diplomatic appointments without the president's knowledge?

This tricky question must be answered by the people who bear direct responsibility for the reshuffles among the leadership of disarmament delegations that have already been carried out or are still at the planning stage — the minister himself and his immediate entourage, including the leadership of the appropriate Foreign Ministry component, whose activity in the arms control sphere, it is no exaggeration to say, has become destructive.

This can be partly attributed to the fact that, unlike the majority of leaders of the former Union Foreign Ministry, the present leaders of this sphere lack a profound knowledge of disarmament problems and have no experience of major disarmament talks, with their mass of extremely complex political, economic, and military-technical problems. Hence the general superficiality and categorical approach in decisionmaking and the reluctance to engage in painstaking work to carefully protect the state's interests in a well thought-out way.

Meanwhile, the artificially created serious situation in the arms control sphere is already creating a serious and growing threat to Russia's national security. Of course, the reasons for this are connected not only with blatant errors by the Foreign Ministry and the almost total collapse of work in the sphere in question and in the ministry's functional component. Arms control requires a well thought-out long-term state strategy and careful coordination between the diplomatic, military, economic, and other departments.

We may make headway in the field when our relations with the West have attained such a level of partnership and openness that arms control in its traditional form proves unnecessary and loses its urgency. Then it will boil down to mutual unilateral steps that do not require profound and painstaking study. But in the meantime extremely high professionalism and long-term painstaking work are necessary in arms control questions. Any other approaches will mean inevitable loss and damage for Russia's national interests.

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There is yet another important problem in the foreign policy legacy that the new Foreign Ministry leadership will have to take over. The foreign policy course of recent years has repeatedly been criticized from various parts of the political spectrum for being pro-Western. You would think that such tractability on Russia's part ought to have led to a considerable improvement in relations with the leading Western countries, primarily the United States. However, we see directly the reverse trends: Anti-American, anti-Western feeling is increasing in Russia. Politicians of various orientations are developing the conviction that Russia is listened to and heeded and its interests are taken into account only when it represents a military danger, and the only way for Russia to force the West to take account of it is to restore a threatening military potential. So it transpires that the "pro-Western" political course by no means ensures good treatment from the Western countries. On the contrary, it is considerably more effective to clearly formulate the most important national interests and to display firmness in defending them. But in order to successfully defend national interests, you have to know what they are at the very least.

We would very much like to hope that the next ministry leadership will successfully resolve this tricky task. Everything that the present head of the foreign policy department and his colleagues could do has now been done. We must rectify the mistakes and make up for lost time. Assuming this is possible, of course....

Daily Examines CW Elimination Issues

MM3110163295 Moscow KRASNAYA ZVEZDA in Russian 28 Oct 95 p 1

[Article by Nikolay Poroskov under the "Problems" rubric: "There Is an Absence of the Concept of 'Parity' With Regard to the Destruction of Chemical Weapons"]

[FBIS Translated Text] A hearing at a Russian Government session on 26 October involving Colonel General Stanislav Petrov, chief of the Russian Federation Ministry of Defense Radiological, Chemical, and Biological Defense Forces, concluded a stage in the work to prepare chemical weapons for destruction.

I should remind you that Russia together with 180 countries of the world community signed a convention on the prohibition of their development, production, stockpiling, and use 13 January 1993. The document will come into effect after the first 65 ratification documents appear on the desk of the Organization for the Prohibition of Chemical Weapons, which has its headquarters in the Hague. Today 40 ratification documents have been submitted.

Neither Russia nor the United States — which are in possession of the largest reserves of toxic substances — have as yet ratified the convention. Russia is not physically ready to carry out the obligations imposed on it by the convention of commencing the destruction of toxic substances three years after it comes into effect and of destroying all chemical weapons within a 10-year period. Nevertheless, in the opinion of Col. Gen. Petrov, the Duma should hurry up and ratify it: The first 65 countries to do so will gain an advantage when international monitoring is instituted, as well as some other advantages.

A special program has been examined which envisages the construction of seven disposal facilities and the same number of storage facilities, the development of ecologically safe technologies, and the guaranteeing of the safety of the disposal process itself. In accordance with an edict of the Russian Federation president, construction of facilities is envisaged in the area where the toxic substances are stored. In the first place it is planned to destroy toxic substances produced in the 1940's and stored in 60-cubic-meter [60-kubovyye] tanks. In all around 11,500 tonnes of lewisite, mustard gas, and mixtures of them have been stored since 1953 in two Russian arsenals. New toxic substances — sarin, soman, and VX — are kept in small canisters (artillery shells and aerial bombs) and are less dangerous when seal failure occurs.

The Commission for the Resolution of Current Questions under the chairmanship of Oleg Soskovets gave the military two weeks to complete work on several technical questions of the program, which has been approved as a whole by the government. From as early as next year, appropriations are envisaged for it in the form of as yet non-specific and unprotected budget items, but from 1997 the appropriation in the budget will be targeted. It will cost 16.6 trillion rubles to destroy Russia's entire arsenal of chemical weapons — 40,000 tonnes by weight of toxic substances. The mechanism for implementing the program is not entirely cost-led: Up to 10 percent of the outlay can be recovered if a proportion of the toxic substances, for example the lewisite, is reprocessed to obtain 2,200 tonnes of arsenic of high purity. Its cost on the external market is from $100 to $1,000 per kilogram.

The financial burden will, it seems, rest entirely on Russia itself. When signing the convention, the Ministry of Foreign Affairs proposed instituting monitoring of the destruction of toxic substances at the expense of the Organization for the Prohibition of Chemical Weapons and making conditions less stringent for the conversion of facilities for their production. But the international community is not rushing to help. The Americans

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have gone no further than to work up documents on methods for organizing work with the population, selecting technology, and so on. It was only German aid of 6 million German marks [DM] which allowed the program to get started. Next year the Germans are promising as much as DM9 million.

At present a joint Russian-U.S. experiment is being carried out to assess our technology for the two-stage destruction of organophosphorus toxic substances. The destruction in the United States of sarin and VX with the assistance of our specialists has demonstrated that our technology is reliable and ecologically safer than the U.S. technique of direct incineration of the toxic substances. From 26 October the experiment continues at a military school's base in Saratov.

Gen. Col. Petrov refuted rumors about the smuggling of toxic substances. The relevant bodies are aware of several cases of theft from industrial enterprises of chemicals which can be used in the manufacture of toxic substances. There have, however, been no thefts from Defense Ministry arsenals. However, the level of security of storage of toxic substances has been reduced, mainly because the arsenals' locations have become known from publications.

There is an absence of the concept of "parity" in the process for the destruction of chemical weapons: Toxic substances should be "gotten rid of" completely. However, a whole number of Near and Middle Eastern countries, using the argument that Israel has nuclear weapons, have not signed the convention and do not, naturally, intend to ratify it. Partly for this reason, the convention permits scientific research and experimental design work to be carried out for defense purposes, and for small quantities of the substances to be produced to make antidotes. On this basis, the chemical forces' scientific research institutions will be preserved.

The Chapayevskiy Plant, which is the only one of its kind in Russia and became operational in 1989, has now been turned into an educational and training center to train specialists in the destruction of chemical weapons. Part of the plant's equipment will be used to destroy toxic substances to reduce the program's cost.

Official: No Guarantees Against Dumping Nuclear Waste

LD0111190195 Moscow ITAR-TASS in English 1650 GMT 1 Nov 95

[By Veronika Romanenkova]

[FBIS Transcribed Text] MOSCOW, November 1 (ITAR-TASS) — Russia cannot give the international community guarantees that it will not dump liquid radioactive waste into the sea as required by the 1972 London Dumping Convention, a Russian high-ranking official said.

Viktor Kutsenko, head of the Ecological Safety Department of the Ministry of the Environment, told ITAR-TASS on Wednesday that Russia will announce this at the upcoming conference of the convention member-countries in early December.

At the same time, he stressed that liquid radioactive waste can be dumped only in an emergency and only with the government's consent.

Last time, Russia dumped the Navy's liquid radioactive waste into the Sea of Japan in 1993. It was an emergency situation because tankers which were used to store it were full and could not take any more waste.

Soon after that six countries — the United States, Japan, Canada, Norway, the Netherlands and South Korea — pledged assistance in building facilities to process liquid radioactive waste. However, only Japan, the U.S. and Norway have so far offered help to work out specific projects, because Russia has no funds to resolve this problem on its own, Kutsenko said.

He said practically all storage facilities in the North and the Far East are full. The only operational plant for processing the Murmansk Shipping Line's waste cannot solve the problem. Besides, the amount of liquid radioactive waste is constantly growing, mainly owing to the scrapping of nuclear submarines under the START-2 treaty, he added.

Russia Said To Conduct 'Essential' Nuclear Experiments

LD0211122095 Moscow ITAR-TASS World Service in Russian 1004 GMT 2 Nov 95

[By ITAR-TASS diplomatic correspondent Andrey Shitov]

[FBIS Translated Text] Moscow, 2 Nov (ITAR-TASS) — Russia has calmly received the information that the United States will conduct six underground explosions with nuclear materials of "subcritical" power within the next two years. A senior official of the Russian Ministry of Foreign Affairs, who is in charge of this issue, informed ITAR-TASS that the need for such tests is really dictated by the need to insure the safe keeping of reserves of nuclear weapons.

Saying that nuclear materials will be used in the explosions may mislead nonexperts, the Russian foreign affairs expert said. Meanwhile, the heart of the matter is very simple: If there is an emission of nuclear energy during the explosion, even the smallest amount, then

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it will be a nuclear explosion. The American side guarantees that there will be no emission of nuclear energy during the forthcoming batch of tests. Therefore the moratorium on the test of nuclear weapons observed by the United States for more than a year is still in force.

Replying to a question about whether the same explosions are being carried out in our country, the Russian diplomat recalled the statement on this matter which was made at the time at a briefing by an official representative of the Russian Federation Ministry of Foreign Affairs. The crux of the statement is that Russia, consistently advocating a complete and total ban on nuclear tests and reduction of nuclear arms, at the same time is proceeding from the fact that nuclear weapons are a reality. With the aim of insuring their safe keeping and security, we are conducting a number of essential experiments.

Federal Assembly

Yeltsin Submits Draft Civil Code to Duma 1 Nov

LD0111155895 Moscow ITAR-TASS World Service in Russian 1412 GMT 1 Nov 95

[By ITAR-TASS correspondent]

[FBIS Translated Text] Moscow, 1 Nov (ITAR-TASS) — As part of his legislative initiative, Russian President Boris Yeltsin today submitted to the State Duma the draft of the second part of the Civil Code of the Russian Federation and a draft Federal law "On implementation of part two of the Civil Code of the Russian Federation," the Russian head of state's press service said today.

"The president has asked the State Duma to consider these drafts as a matter of priority," the report says.

Commenting on this, the president's press service said: "The second part of the Russian Federation Civil Code is of no less importance for the establishment of a new economic system in the country than is part one (the general part) of the Code.

"Both parts — parts three and four are being drawn up — can be described as being the main legal guarantee of civic society," the comment says.

"According due importance to the adoption of the Civil Code, the head of state is putting into action the main concept of his mandate given to him by the people, that of creating the conditions in which the changes that have been made to Russia's state and public life become irreversible, based on the principles of the liberty and dignity of the individual and the protected rights of citizens," the press service says.

According to the press office report, the draft part two of the Civil Code covers the regulation of specific kinds of duties arising in the process of buying and selling, leasing, giving loans and credit, making donations, providing services, and many other kinds of civil-legal relationships. The Code gives great prominence to the obligations arising from banking transactions, which, the press service comment says, "provides the basis for finally putting the relationship between investors and credit and financial institutions onto a civilized track."

Text of Decrees on Verifying Use of Chechnya Funding

MM0111155495 Moscow ROSSIYSKAYA GAZETA in Russian 1 Nov 95 p 6

[Text of State Duma Decree No. 1190-I and State Duma Decree No. 1191-I signed by I.P. Rybkin, chairman of the Russian Federation Federal Assembly State Duma, in Moscow 13 October 1995, under the general heading "The Duma Suspects that Chechnya Will Be the Russian Economy's 'Black Hole'"]

[FBIS Translated Text]

[Decree No. 1190-I] On Stepping up the Monitoring of the Use of Federal Budget Resources To Restore the Economy and Social Sphere of the Chechen Republic

In addition to State Duma Decree No. 1134-I of 12 August 1995 "On the Situation in the Chechen Republic," the Russian Federation Federal Assembly State Duma decrees:

To instruct the Russian Federation Comptroller's Office to step up the monitoring of the use of federal budget resources allocated for the restoration of the economy and social sphere of the Chechen Republic and to submit a report on the results of the monitoring operations to the State Duma within one month.

[Signed] I.P. Rybkin, chairman of the Russian Federation Federal Assembly State Duma.
Moscow, 13 October 1995.
State Duma Decree No. 1190-I.

[Decree No. 1191-I] On Instructing the Russian Federation Comptroller's Office

The Russian Federation Federal Assembly State Duma decrees:

To instruct the Russian Federation Comptroller's Office to verify the targeted use of resources allocated from the 1995 federal budget for the implementation of the federal targeted program for the restoration of the economy and social sphere of the Chechen Republic and also the resources allocated from the 1995 federal budget for clearing up the aftermath of the armed conflict in the Chechen Republic.

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[Signed] I.P. Rybkin, chairman of the Russian Federation Federal Assembly State Duma.
Moscow, 13 October 1995.
State Duma Decree No. 1191-I.

Legislative, Regulatory Documents 22-28 Oct

96P50011

[FBIS Media Note] The following is a listing of Russian legislation recently published in the press of the Russian Federation compiled by FBIS. Numbers within parens indicate approximate wordage. Entries followed by the notation "Text" have been translated into English and are available in FBIS publications.

SECTION I: ECONOMIC LEGISLATION (EXPORT-IMPORT, BANKING, PRIVATIZATION, AUCTIONS, REGIONAL DEVELOPMENT)

Chernomyrdin 18 September Decree No. 930 Approving Federal Program For Development Of Russian Fishing Industry Through The Year 2000, Plus Excerpts Of Program In Question. (Moscow ROSSIYSKAYA GAZETA in Russian 26 Oct 95 pp 3, 4) (200/6300)

Government 26 September Decree No. 962 On Levying Tolls On Heavy Trucks Using Federal Highways, Plus Comment By Federal Road Department Deputy General Director Kudryashov On Road Toll Practices Abroad, Ongoing Consultations Between Users, Road Operators On Road Use Regulations. (Moscow ROSSIYSKAYA GAZETA in Russian 24 Oct 95 p 3) (350/4500)

Government 9 October Decree No. 987 Deeming Invalid Russian Government Decisions In Connection With Federal Law On Amendments And Additions To RSFSR Law On Competition And Limiting Monopoly Activity In Commodity Markets. (Moscow ROSSIYSKAYA GAZETA in Russian 26 Oct 95 p 4) (300)

Government 9 October Directive No. 1381 Okay Proposed Opening Of Bratsk Airport To International Flights. (Moscow ROSSIYSKAYA GAZETA in Russian 24 Oct 95 p 6) (150) (Text) (964E0146)

Duma 11 October Decree No. 1180-i On Amendments, Additions To Employment Law. (Moscow ROSSIYSKAYA GAZETA in Russian 24 Oct 95 p 6) (150)

Duma 11 October Decree No. 1188-i On Filing Comptroller's Office Report On Ostankino Finances With Federal Prosecutor's Office, Ordering Comptroller's Office Report On Financing Of Russian Public TV, Plus Comptroller's Office Memorandum On Results Of Ostankino Audit. (Moscow ROSSIYSKAYA GAZETA in Russian 24 Oct 95 pp 3, 6) (150/6200)

Government 12 October Directive No. 1405 Forming Ostankino Liquidation Commission, Appointing Federal TV Service Deputy Leader Nikanorov As Commission Chairman. (Moscow ROSSIYSKAYA GAZETA in Russian 24 Oct 95 p 3) (50)

Government 12 October Directive No. 1413 Forming, Appointing Members Of Interdepartmental Commission To Help Sakhalin Oblast Resolve Socioeconomic Problems And Monitor The Use Of Budget Funds. (Moscow ROSSIYSKAYA GAZETA in Russian 26 Oct 95 p 4) (400)

Government 13 October Decree No. 1006 On Action In Pursuance Of 7 May Presidential Edict On Basic Guidelines On Energy Policy. (Moscow ROSSIYSKAYA GAZETA in Russian 25 Oct 95 p 2) (500) (Text)

Yeltsin-Signed 13 October Federal Law No. 157 On State Regulation Of Foreign Trade Activity Adopted by Duma 7 July, Approved By Federation Council 21 July. (Moscow ROSSIYSKAYA GAZETA in Russian 24 Oct 95 pp 4-5) (4800) (Text) (964E0146)

Yeltsin 17 October Edict No. 1045 On 'Exceptional' State Support For Likhachev Auto Plant, Plus Zarezin Comment. (Moscow ROSSIYSKAYA GAZETA in Russian 25 Oct 95 p 3) (150/250) (Text)

Yeltsin 17 October Edict No. 1046 On Measures To Provide Agro-Industrial Complex With Grain- And Feed-Harvesting Equipment And To Provide State Support For Restructuring Of 'Rostselmash.' (Moscow ROSSIYSKAYA GAZETA in Russian 28 Oct 95 p 4) (850) (Text)

Yeltsin-Signed 18 October Federal Law No. 158 On Amendments To RSFSR Law On Taxation Of Securities Transactions Adopted By Duma 21 July, Approved By Federation Council 3 October. (Moscow ROSSIYSKAYA GAZETA in Russian 24 Oct 95 p 3) (450)

Chernomyrdin 19 October Directive No. 1439 Accepting Agriculture Ministry Proposal For 25-26 October Conference On Developing Consumer Services In Rural Areas. (Moscow ROSSIYSKAYA GAZETA in Russian 26 Oct 95 p 4) (100)

Yeltsin 19 October Edict No. 1058 Accepting Goskomimushchestvo Recommendation That State Not Get Involved In Funding 'Rossiyskiy Elektrotransport' Company, Ordering Initiation Of Liquidation Procedures. (Moscow ROSSIYSKAYA GAZETA in Russian 25 Oct 95 p 3) (500) (Text)

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Rybkin 20 October Decree No. 1230 Adopting Federal Law On Increasing Minimum Wage. (Moscow ROSSIYSKAYA GAZETA in Russian 26 Oct 95 p 4) (100)

SECTION II: POLITICAL (INTERNATIONAL AND CIS AFFAIRS, ELECTIONS, CRIME, POLLUTION)

Chernomyrdin-Signed 29 September Directive No. 1349 On Arrangements For Obtaining U.S. Credit To Finance Retooling Of Syktyvkar Timber Industry Complex, Accompanied By Commentary By Its General Director. (Moscow ROSSIYSKAYA GAZETA in Russian 28 Oct 95 p 1) (450)

Duma 6 October Decree No. 1165-i Adopting Federal Law On Phased Ending Of Sanctions Against FRY, Submission Of Law To Federation Council. (Moscow ROSSIYSKAYA GAZETA in Russian 24 Oct 95 p 5) (50)

Duma 6 October Decree No. 1171-i Adopting Federal Law On Suspending Unilateral Reduction Of Black Sea Fleet And Maintaining It, Submission Of Law To Federation Council. (Moscow ROSSIYSKAYA GAZETA in Russian 24 Oct 95 p 5) (50)

Chernomyrdin 9 October Decree No. 979 On Submitting To President Proposal For Signing Agreement With Kazakhstan On Status Of City Of Leninsk. (Moscow ROSSIYSKAYA GAZETA in Russian 28 Oct 95 p 4) (150)

Government 9 October Decree No. 986 Ordering Finance Ministry To Sign Agreement With FRG On Investment Credit For Cheboksary 'Tekstilmash' Company To Buy Equipment To Produce Weaving Machines Plus Comment By 'Tekstilmash' Vice President Kerzhayev On How Company Will Use It. (Moscow ROSSIYSKAYA GAZETA in Russian 25 Oct 95 p 1) (400/400)

Government 12 October Directive No. 1411 Accepting Roskomtorg, Gorkomprom Proposal For October-November Moscow Consumer Goods Fair To Include Participants From CIS, Baltic Countries, Ordering Various Bodies To Make Various Preparations. (Moscow ROSSIYSKAYA GAZETA in Russian 24 Oct 95 p 3) (250)

Chernomyrdin 18 October Directive No. 1436 On Holding On 26 October Conference Of Federation Components With Compact Cossack Populations. (Moscow ROSSIYSKAYA GAZETA in Russian 26 Oct 95 p 4) (200)

Chernomyrdin 19 October Directive No. 1437 On Holding International Conference On Border Cooperation Between Regions In St. Petersburg 25-27 October. (Moscow ROSSIYSKAYA GAZETA in Russian 26 Oct 95) (150)

Federation Council 24 October Decree No. 629 Appointing Skuratov General Prosecutor. (Moscow ROSSIYSKAYA GAZETA in Russian 28 Oct 95 p 4) (100)

SECTION III: SCIENTIFIC-TECHNICAL

Chernomyrdin 9 October Decree No. 989 On Amendment And Addition To Statute On Registration Dues For Official Registration Of Computer Programs, Databases, and Microchip Topologies. (Moscow ROSSIYSKAYA GAZETA in Russian 26 Oct 95 p 4) (850)

Regional Affairs

Chechnya Reportage; Military, Political, Negotiations

Dudayev Rumored To Be 'Seriously Wounded'

LD0111135295 Moscow Radio Rossii Network in Russian 1100 GMT 1 Nov 95

[FBIS Translated Text] Each new day adds more casualties to the list of killed and wounded in Chechnya, while the federal authorities are expecting new provocations. Our special correspondent Marina Chernukha reports from Groznyy:

[Chernukha] Two more people have been killed and one was wounded over the past 24 hours. Both casualties are from the command personnel. One of them is Captain Zhdanov, Irkutsk OMON [Special Purpose Militia Detachment]. He was killed during brief fighting near the village of Pobedinskoye. The fighting was started by militants when they opened fire at a team of investigators of the Russian Interior Ministry. The militants lost two fighters. The second casualty was Colonel Voloshin, the deputy commander of a specialist construction unit. He was killed near the Aldy train station. Unknown persons dressed in combat gear fired at his car from automatic weapons. It is not the first time that militants have used the tactics of changing their clothing. Thus, Chechnya's law enforcement bodies recently received information that provocations will be staged in Groznyy by militants who will be disguised as Russian servicemen and local militia. According to the republican Interior Ministry, a number of explosions are to be carried out at markets at the beginning of November. Apart from this, Muslim clergymen in rural areas around Groznyy, and also in Shali and Sernovodsk, are urging local people to embark on a holy march to their defiled capital.

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It is possible that all this is a response by Dzhokhar Dudayev, who, according to rumors, was seriously wounded a week ago in an artillery attack on a firing position of militants in a mountain area in the southwest of Chechnya.

Special Services Blamed for Dudayev's Freedom

LD0111203295 Moscow NTV in Russian 1900 GMT 1 Nov 95

[FBIS Translated Text] Interior Minister Anatoliy Kulikov today made an extremely self-critical statement at a meeting with students at the Faculty of Journalism at Moscow State University. A POSTFACTUM agency correspondent was there, and reports:

[Unidentified correspondent] Anatoliy Kulikov stated that, unfortunately, we have not managed to seize Dzhokhar Dudayev and Shamil Basayev, because of a lack of professional skill on the part of the special services. I know where Dudayev and Basayev are today, but seizing them requires a large-scale military operation, the minister thinks. These criminals are not worth a single life, the head of the Interior Ministry said.

Kulikov: Dudayev Regime Near 'Death'

LD3110165295 Moscow ITAR-TASS in English 1438 GMT 31 Oct 95

[By Vyacheslav Bondarenko]

[FBIS Transcribed Text] ROSTOV-ON-DON, October 31 (ITAR-TASS) — "The situation in Chechnya has been turning into a qualitatively new state: the time has come when problems of Chechnya's political settlement may and must be discussed with Doku Zavgayev's government," Russian Interior Minister Anatoliy Kulikov told a news conference in Rostov-on-Don on Tuesday.

Kulikov paid a two-day working visit to Rostov-on-Don. He inspected local law enforcement bodies and expressed satisfaction with their work.

Speaking to journalists, Kulikov touched upon changes in Chechnya. The minister said that recent events in Chechnya show that "Dudayev's regime has been in its death agony." He confirmed his statement, saying that around 70 per cent of field commanders were prepared to make peace and might surrender weapons on certain conditions.

The minister said that very tough measures, including artillery and air strikes, might be taken against those who intend to fight "to the last Chechen."

Speaking about transformations in the Russian Interior Ministry, Kulikov stressed that "it is the change of orientation and improvements in Central and local structures, rather than reforms, which are at issue now."

Kulikov said that the establishment of the internal security department of the Russian Interior Ministry was forthcoming.

Yarikhanov Criticizes Kulikov's Remarks

LD0111141595 Moscow ITAR-TASS World Service in Russian 1218 GMT 1 Nov 95

[By ITAR-TASS correspondent Nikolay Zagnoyko]

[FBIS Translated Text] Groznyy, 1 November (ITAR-TASS) — "Nothing but an attempt to appraise the situation in Chechnya in a light advantageous to him" — this is how Vladimir Zorin, first deputy head of the Territorial Administration, in a talk to journalists today described a statement by Khozh-Akhmed Yarikhanov, head of Dudayev's delegation to the talks in Groznyy.

Yarikhanov accused Anatoliy Kulikov, the minister of Internal Affairs of Russia, of "deviation from the course toward a peaceful settlement of the conflict in Chechnya." The occasion for this was a statement the Russian minister made in Rostov-on-Don on Tuesday. According to a report by ITAR-TASS Rostov correspondent Vyacheslav Bondarenko, Anatoliy Kulikov said: To those who intend to fight "to the last Chechen," the "harshest measures, including artillery and air raids," can be applied.

Talking to journalists, Kulikov also pointed out the following: The latest events in Chechnya "testify that Dudayev's regime is in its death throes." The minister backed up his claim with the following data — some 70 percent of field commanders are ready for peace and could surrender their arms on certain conditions.

The minister of Internal Affairs also said: "The time has come when questions of the further political development of the Chechen Republic should and can be discussed with the government of Doku Zavgayev."

Vladimir Zorin went on to emphasize that today's accusation by Khozh-Akhmed Yarikhanov is not the first statement by the head of the Chechen delegation to the talks distorting the position of the federal side. Zorin also indicated that the position of the supreme leaders of the Russian Federation on the question of ways of restoring constitutional order in Chechnya remains unchanged.

At the same time, the talks on a peace settlement, broken off since the terrorist act in Groznyy against Lieutenant General Anatoliy Romanov, have not yet been resumed and the situation in the republic remains difficult.

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Since the ending of the dialogue, the Russian side has made 12 proposals that might form the basis of constructive discussions by the sides, but there has not yet been any reply, Vladimir Zorin said. At the same time, in Chechnya, "rally passions are being stirred up, all kinds of provocations are increasing, and naturally the bodies of law and order cannot remain indifferent in such a situation," the head of the Territorial Administration concluded.

Yarikhanov: Chechnya's Status Not Discussed

LD0111202995 Moscow INTERFAX in English 1843 GMT 1 Nov 95

[FBIS Transcribed Text] GROZNYY, Nov 1 (INTERFAX) — The leader of a Chechen delegation negotiating with the Russian government said on Wednesday Chechnya's future status was not among the subjects the negotiators were discussing.

"What the relations between Russia and Chechnya will be in the future will be decided after free democratic elections in Chechnya," Khozh-Akhmed Yarikhanov told INTERFAX.

The two delegations' task is "to stop the war, withdraw troops, disarm military formations, carry through free democratic elections and form new bodies of authority," he said. "Let those bodies decide what kind of relations Chechnya should have with the Russian Federation."

To resume talks, the rebel forces "need guarantees that hostilities have been stopped and there will be no more war," Yarikhanov continued. "It's impossible to fight and negotiate at the same time."

Commenting on reported assaults on Russian army outposts, he said such assaults "may be taking place but they must by no means be put on our account." He said the rebel leadership had proposed joint staffing for the outposts "to eliminate suspicions." The proposal had been accepted by a joint commission appointed to monitor a Russian-Chechen military accord, which issued a directive to that effect, and that the directive was approved by the former commander of Russian forces in Chechnya, Lt. Gen. Anatoliy Romanov, and top Chechen commander Aslan Maskhadov but that "the Russian side has still not given its consent to the joint staffing of the outposts."

Yarikhanov described a new pro-Moscow Chechen government headed by Doku Zavgayev as a "puppet" one, "created by the occupation regime." "It's the same government that was under Salambek Khadzhiyev, only it has a different leader," he said.

Zavgayev, Dudayevites To Continue Negotiations

LD0111130995 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1216 GMT 1 Nov 95

[FBIS Translated Text] Doku Zavgayev, head of the Chechen Republic, told Moscow Radiostantsiya Ekho Moskvy that negotiations with Dzhokhar Dudayev's delegation will be continued, despite Russian Interior Minister Anatoliy Kulikov's comment that negotiations with the Dudayev side should be severed.

"We shall conduct talks with everyone we can, representatives of Dzhokhar Dudayev included," Doku Zavgayev emphasized. "We have one single, tiny Chechen people, and we cannot split it into supporters and opponents. We shall meet and consult with everybody."

The head of the Chechen Republic believes that "Chechnya needs not amorphous, eroded organizations, but an effective authority which both the people and the fighters can believe in."

New Post Created To Overcome Crisis

LD0111192795 Moscow ITAR-TASS in English 1737 GMT 1 Nov 95

[By Nikolay Zagnoyko]

[FBIS Transcribed Text] GROZNYY, November 1 (ITAR-TASS) — The Chechen parliament passed a ruling establishing a new top executive position in the republic, Chairman of the Government — the Head of State, pending elections.

A spokesman for the federal administration in Chechnya told ITAR-TASS on Wednesday that this is a temporary position which has been introduced for the purpose of "focusing the efforts of the executive and legislative branches" in order to stabilise the situation, restore peace and ensure economic and social revival in Chechnya.

Earlier today, Chechnya's government denied media reports that Doku Zavgayev has become Chechen president.

Zavgayev was appointed as the Chechen prime minister on October 24 and his status has not changed since then, the government press service told ITAR-TASS.

Media reports that today's session of the Chechen parliament named Zavgayev as "the head of state" do not correspond to the reality, it said.

The press centre pointed out that there is no such position as the "head of state" in Chechnya.

According to the ruling, the chairman of the government — the head of state is the top executive officer of the

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republic who represents its interests in Russia's supreme bodies of power.

He will be empowered to determine the make-up of the government, and appoint and dismiss members of the government and other executive officers. Respective changes will be made in the republic's constitution.

However, Zavgayev told the deputies today that "after severest crises every country established a strong executive branch. We sought this goal and we have reached it."

"We have resumed work after a long break. The bulk of the population of the Chechen republic looks to us with hope. People are waiting for concrete results: cessation of hostilities, restoration of peace and civic accord," he said in his closing speech.

Zavgayev stressed that the new structure will be able to adopt "clear and prompt decisions" in order to resolve crises, otherwise "we will drown in talks."

Gantemirov Appointed Deputy Prime Minister

LD0111172895 Moscow INTERFAX in English 1410 GMT 1 Nov 95

[FBIS Transcribed Text] GROZNYY, Nov 1 (INTERFAX) — The Mayor of Groznyy Beslan Gantemirov has been appointed Chechnya's Deputy Prime Minister by the Chechen Supreme Soviet.

Earlier in the day the session of parliament elected Prime Minister Doku Zavgayev as head of the Chechen republic.

Gantemirov, who became Groznyy's Mayor under Dzhokhar Dudayev, went into opposition after Dudayev's forces disbanded Groznyy's city assembly in June 1993.

After Zavgayev was elected Prime Minister, Gantemirov in a televised interview blamed him for the latest bloodshed in Chechnya. Gantemirov argues that if Zavgayev had refused to concede power in 1991, Dzhokhar Dudayev's rise to power would have been impossible.

Meanwhile Zavgayev said in an interview that he regarded Gantemirov's criticism as "a mistake by a young politician, and young politicians tend to make many mistakes." He said he was prepared to cooperate with Gantemirov to the extent such cooperation would be possible and necessary to Chechnya.

Zavgayev Comments on New Position

LD0111214195 Moscow NTV in Russian 1900 GMT 1 Nov 95

[FBIS Translated Excerpt] [Correspondent] The rumors that provocations were to take place in Groznyy today failed to prove true. Life in the city went on as usual. There were changes on the political Olympus, however. Chechen Prime Minister Doku Zavgayev is now called the head of the republic, as Supreme Soviet deputies decided at today's session.

[Begin Zavgayev recording] There has to be a complete pyramid of executive authority. There has to be a structure that makes it possible to respond urgently and dynamically to the changing situation — and the situation here changes throughout the day. [end recording]

[Correspondent] [passage omitted] Doku Zavgayev said the new title gives him only more responsibility. He plans to represent Chechnya in the Federation Council.

[Begin Zavgayev recording] In accordance with the new law on forming the Federation Council, the republic will be represented there. [end recording]

[Correspondent] A rally was also held in Groznyy today, at which Zavgayev's new capacity was not welcomed. Doku Gapurovich himself spent the whole day receiving people, among whom were four representatives of Dudayev's formations.

Khadzhiyev Criticizes Zavgayev Election

LD0111132895 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1215 GMT 1 Nov 95

[FBIS Translated Text] Salambek Khadzhiyev, former prime minister of the Chechnya National Rebirth government, described Doku Zavgayev's election as head of the Chechen Republic as a "unilateral step which only destabilizes the situation."

"Up to now, it has been the Committee of National Accord that has fulfilled legislative functions, including nominating the head of the republic. This step was not agreed upon with the committee," Khadzhiyev stressed in an interview with Moscow Radiostantsiya Ekho Moskvy. "It would have been more sensible to put the Supreme Soviet and the National Accord Committee together and set up a mutually- agreed body, and then to take decisions of this sort."

Political negotiations must be conducted with all political forces, in Khadzhiyev's view, including with the Chechnya National Rebirth government.

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Text of Decree on Chechen Interim Organs

MM0111174295 Moscow ROSSIYSKAYA GAZETA in Russian 31 Oct 95 p 4

[Russian Federation Government decree followed by Aleksandr Linkov commentary under general heading: "Staffs with Civilian Powers"]

[FBIS Translated Text] Russian Federation Government 20 October 1995 decree No. 1,023, Moscow "on interim coordination organs on the territory of the Chechen Republic"

Taking into account the appeal from the Chechen Republic Committee of National Accord and the Chechen Republic Government of National Revival on putting in order the system for collaboration between organs of management on the territory of the Chechen Republic, the Russian Federation Government decrees:

1. That the proposal of the Chechen Republic Committee of National Accord and the Chechen Republic Government of National Revival coordinated with the Russian Federation president's fully empowered representative in the Chechen Republic for forming on the territory of the Chechen Republic interim coordination organs — rayon (city) coordination staff — be supported.

2. That the attached sample provision on the rayon (city) coordination staff be approved (footnote) (not published).

3. That the allocation of administrative buildings for rayon (city) coordination staffs be ensured by the Chechen Republic Government of National Revival.

4. That the territorial administration of the federal organs of executive power in the Chechen Republic in conjunction with the Chechen Republic Government of National Revival by agreement with the Russian Federation president's fully empowered representative in the Chechen Republic:

elaborate and confirm a sample structure for a rayon (city) coordination staff and a standard provision on the functional duties of its officials;

take the necessary steps for the all-around safeguarding of the activity of rayon (city) coordination staffs.

5. That the safety of the operation of rayon (city) coordination staffs is ensured by the Chechen Republic Government of National Revival, the Russian Federation Internal Affairs Ministry, and the command of the interim integrated armed forces performing tasks related to the disarmament of all illegal armed formations on the territory of the Chechen Republic.,

6. That the Russian Federation Ministry of Finances in conjunction with the territorial administration of the federal organs of executive power in the Chechen Republic by agreement with the Government of National Revival in the Chechen Republic define the procedure for financing the rayon (city) coordination staffs.

[Signed] V. Chernomyrdin, chairman of the Russian Federation Government.

Our Commentary

And so what is a rayon (city) coordination staff? It is created to stabilize the socioeconomic situation, to implement measures to restore and develop the Chechen Republic's economy and social sphere. The staffs' duties include coordinating actions to safeguard public safety and law and order carried out by the federal and republican law enforcement organs, military units, and subunits of the interim integrated forces engaged in disarming illegal armed formations. And one of the main tasks is to create conditions for preparing and holding elections to the organs of state power and local self-management.

The staff includes a representative of the Russian Federation president's fully empowered representative — the agent of the coordination staff, elders, and representatives of public associations, and leaders of rayon and city administrations, Defense Ministry units and subunits, the Internal Affairs Ministry, and the Federal Security Service.

It should be stressed that the rayon (city) staffs which are being created are interim organs. At the present stage of the restoration of constitutional order in Chechnya they will play the role of a connecting link in coordinating the measures which the federal authorities are taking with the organs of republican executive power and local self-management. In the future, most likely after the elections, there will no longer be a need for them.

Groznyy Promised Heat This Winter

LD0111183895 Moscow INTERFAX in English 1602 GMT 1 Nov 95

[FBIS Transcribed Text] GROZNYY, Nov 1 (INTERFAX) — Groznyy residents will be provided with heating in winter as gas and power supplies have practically been restored, Deputy Russian Construction Minister Albert Marshev told a news conference in Groznyy Wednesday.

According to him, gas supplies in Groznyy have been restored by 92-93 percent. Over 300 of the 546 trans-

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former substations are functioning and all 23 boiler houses will start operating in December.

Marshev said that water supply interruptions are caused by frequent voltage drops at water facilities. "After each such accident it takes 2-3 days to fully restore water supply in order to avoid a hydraulic shock," he said.

According to Marshev, Groznyy has a total living space of 5.1 million square meters, with private sector accounting for over 60 percent of it, as of January 1, 1991. As a result of combat activities 3.9 million square meters were destroyed and the rest need repair.

A total of 600,000 square meters of living space, including 220,000 square meters of individual residences, were restored by October 1. Construction workers plan to commission 600,000 square meters more by the end of the year. Marshev believes that this goal will be reached if the government provides the promised 400 billion rubles to the builders.

He said that 23,000 workers had been hired for housing construction in Groznyy, however 6,000 of them left because of interruptions with funds provisions.

All health-care facilities and schools in Groznyy are expected to be restored next year, said Marshev. A total of 20 schools have been restored so far and eight more will be commissioned by the end of 1995.

Tatarstan President: Federation Council Must Be Elected

LD0111143795 Moscow INTERFAX in English 1102 GMT 1 Nov 95

[FBIS Transcribed Text] KAZAN, Nov.1 (INTERFAX-EURASIA) — Russia's Federation Council should comprise heads of executive authorities elected by the people, but not people appointed by the head of state, said Tatarstan's President Mintimer Shaymiyev. It is better "to postpone the time" for forming the parliament's upper chamber than to have "an appointed chamber," he said in exclusive interview with INTERFAX-EURASIA.

"One cannot but welcome the governors' insistence to hold nationwide elections," Shaymiyev underlined. "Only in this case will power in Russia be legitimate," he said.

Military Training To Resume in Irkutsk Schools

LD0211095195 Moscow ITAR-TASS in English 0823 GMT 2 Nov 95

[By Vladimir Khodiy]

[FBIS Transcribed Text] IRKUTSK, November 2 (ITAR-TASS) — Russia's Irkutsk region will resume elementary military training at schools. The step is one of the measures of the regional administration has taken with the aim to prepare the youth for military service. The region will also open additional military training centres — technical societies and clubs.

The administration has imposed insurance for draftees for the period of their movement to the site of the deployment of their military unit. The insurance sum will total 60 million roubles this year and 120 million roubles next year.

The regional administration instructed the health care authorities to provide full medical examination of draftees and ordered the law-enforcement bodies to promptly search for and detain those who evade reporting at draft boards.

Maritime Territory To Buy Shares in Russian Companies

LD0211100895 Moscow ITAR-TASS in English 0900 GMT 2 Nov 95

[By Yevgeniy Lents]

[FBIS Transcribed Text] VLADIVOSTOK, November 2 (ITAR-TASS) — Investors from Russia's Maritime Territory will participate in all-Russian share tradings. The Maritime Territorial Fund on Thursday [2 November] concluded an agreement on this with the Russian Property Fund and the Federal Stock Corporation. Under the agreement, residents of the territory may purchase share blocks in privatised companies in all the regions of Russia.

The chairman of the Maritime Territorial Property Fund, Valeriy Lutsenko, said that dealers can submit applications right this Thursday to purchase blocks of shares in a number of Russia's biggest companies, such as the Novorossiisk sea ship line, Uralmash, EES of Russia and others.

Economic Issues

Urinson Discusses Inflation, Drop in Production

LD0111231795 Moscow Voice of Russia World Service in English 2010 GMT 1 Nov 95

[FBIS Transcribed Text] Deputy Economic Minister Yakov Urinson has predicted that the monthly inflation rise in October would amount to 4.8 percent. Speaking at the recent Cabinet meeting, Urinson said that market mechanisms in this country, started in 1992, had operated positively this year despite unfavorable weather conditions, the devastating earthquake in the island of Sakhalin, the warfare in the Chechen republic, and what

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some analysts called, a bleaker image of this country abroad.

[Begin Urinson recording, in Russian] Production has stabilized in one way or another. Over nine months the fall in gross domestic product amounted to 3 percent. [end recording]

Production has more or less stabilized, Urinson is saying, and the decline in the gross domestic product in the past eight-nine months amounted to 3 percent. The annual production drop is expected to be under 4 percent. Other positive trends, according to Urinson, included a 14-percent growth of housing construction, a growing share of long-term credits, and a growth of imports of various machines and industrial equipment. Production has also been under rise in the chemical and petrochemical industries and in ferrous and nonferrous metallurgy. The government feels sure there will not be an upsurge of inflation this autumn, and inflation in the remaining three months of this year will not grow more than 17 percent. This could well be a good start for the government plans to achieve a monthly inflation of 1.0-1.2 percent next year.

So far the government has been adamant about this prediction and has built its 1996 draft budget around it. The draft is now being debated in the State Duma, the lower chamber of our parliament. But the MPs are arguing that, given the performance of the Cabinet this year, a more realistic monthly inflation rate would be 3 to 5 percent. The government answer is: "This could entail soaring inflation and halt positive economic processes." It also dismisses accusations of towing the line laid down by the International Monetary Fund and other international financial organizations which agreed to support the economic reforms in this country with credit, provided inflation is kept within 1.2 percent a month, or a little more.

Despite the controversy, a conciliatory committee has been created to find a golden mean and work out recommendations. So far its recommendations have been to re-write the draft and to base it on an inflation rate of either 1.4 or even 2.0 percent a month. On the government side Deputy Finance Minister Vladimir Petrov has been quoted as saying that 1.7 percent a month is the limit the government would be prepared to concede. Otherwise, Petrov claims, negotiations with money-lenders abroad would be out of the question and the country would be deprived of a powerful source of financing the budget deficit next year.

Chubays Chairs Working Group on Banking Regulations

MK0211095495 Moscow KOMMERSANT-DAILY in Russian 1 Nov 95 p 3

[Unattributed KOMMERSANT-DAILY own report: "Bankers and Government Pleased With Each Other"]

[FBIS Translated Text] A routine meeting of a working group to improve the regulation of banking activity, chaired by Anatoliy Chubays, took place yesterday. The group, set up late in September, includes officials from the government, the Central Bank, and commercial banks. The main result of yesterday's meeting was the approval of the group's work plan until the end of the year. In particular, it is planned that discussions on lowering reserve norms will resume in late November or early December. Furthermore, a decision has essentially been made to change the taxation of reserves held against risks. Under the proposed change, a part of such payments should be included in the prime cost and hence not be subject to taxation, whereas another part (as before) will be paid by the banks out of their profits. The text of a corresponding joint cable of the Finance Ministry, the State Tax Service, and the Central Bank is currently being fine-tuned. In addition, as transpired from the words of a participant in the meeting, Russia's Finance Ministry will shortly submit its proposals on changing the current taxes on banks' incomes derived from giving hard-currency credits.

Government Seeks Funds To Purchase Farmers' Grain

LD0111184395 Moscow INTERFAX in English 1602 GMT 1 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 1 (INTERFAX) — The Russian government intends to find money to purchase grain from domestic agricultural producers, Agriculture and Food Minister Aleksandr Nazarchuk told a news conference Wednesday.

Nazarchuk described the country's grain balance as "very complicated. However, this year's harvest of 65 million tonnes and 13 million tonnes in stock will suffice to provide the country both with bread-making grain and fodder to feed the cattle," he added.

Commenting on the Moscow government's Wednesday decision to set aside hard currency for grain imports, Nazarchuk said "no one will forbid the Moscow mayor to purchase grain, if he finds a more profitable grain market than in Russia." At the same time, one tonne of grain reached $180 in Canada and exceeded $200 in Chicago, he added.

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Nazarchuk refuted the prediction of the president of the Roskhleboprodukt corporation, Leonid Cheshinskiy, that a kilo of bread will cost up to 10,000 rubles in Moscow by the end of this year. According to his ministry's report prepared for the presidential administration, it will not exceed 5,000 to 5,500 rubles.

In answer to an INTERFAX question, Nazarchuk said commercial banks are ready to credit the Federal Food Corporation to purchase and deliver grain to Russia's northern regions, main industrial centers, armed forces, and other key regions.

To date the state has purchased only 800,000 out of 8.6 million tonnes of grain needed.

At the same time, the banks credit grain purchases at an extremely high interest rate, while the state has been unable to write off a part of the due payments, Nazarchuk said.

Nazarchuk said Prime Minister Viktor Chernomyrdin presided over a conference "on this very issue, i.e. looking for money to buy grain." The conference involved officials from the Finance Ministry, Agriculture and Food Ministry and Central Bank of Russia.

Kuznetsk Basin Granted Credit for Coal Exports

LD0211105695 Moscow ITAR-TASS in English 0948 GMT 2 Nov 95

[By Grigoriy Shalakin]

[FBIS Transcribed Text] KEMEROVO, November 2 (ITAR-TASS) — A number of banks of European countries agreed to give credits totalling over ten million dollars to the fuel-producing and selling organisations of the Kuznetsk basin in Siberia so that it increase coal exports.

An arrangement to this effect was reached at the exhibition-fair "Siberia-2000" that passed in Linz, Austria, Sergey Loparyov, Director of the regional Institute of Economics, said on Thursday. Kuzbassprombank agreed to guarantee the timely repayment of credits.

Foreign financial backing will help ease the pressure of inordinately high transportation tariffs imposed on coal enterprises within Russia and to stabilise the social situation in miners' collectives in the Kuznetsk basin. Local consumers of fuel owe over 1,000 billion roubles to miners. Because of this, wages are in arrears. The stepping up of the export and the solvency of foreign partners will make the problem less acute.

With the crisis of non-payment in Russia, the export of fuel is one of real sources of income for miners of the Kuznetsk basin. From the beginning of the year the exports of fuel increased by 50 per cent as compared with the same period last year. One million tonnes of coal a month was exported in the first six months of the year. Later the exports decreased because of the growth of railway tariffs.

Anatoliy Chubays, Russian First Deputy Prime Minister, who visited the Kuznetsk basin in October, said that any decrease of transport fares is out of the question.

Because of all this coal miners had to look for other ways. Understanding was found in financial organisations of European countries. This is undoubtedly due to high quality of coal, low production costs, particularly as coal is quarried, and the fact that Siberian fuel suites thermal power stations in some east European countries.

Paper Examines Need for Economic Incentives

MM3110144495 Moscow KRASNAYA ZVEZDA in Russian 28 Oct 95 p 4

[Article by Vladimir Shcherbakov: "If There Are No Labor Incentives Industry Will Not Look Up" — first two paragraphs are KRASNAYA ZVEZDA introduction]

[FBIS Translated Text] Recently the State Committee for Statistics made public the figures for Russia's socioeconomic development over the [first] nine months [of the year]. This is a unique barometer by which one can assess the present state of the economy and its prospects and the degree of certainty which each of us has in the future. You merely have to know how to read the barometer's indicators.

We asked Professor Doctor of Economic Sciences Vladimir Shcherbakov, a member of the Russian Academy of Economic Sciences and a well known economist, to comment on the macroeconomic situation.

According to the assessment of the State Committee for Statistics [Goskomstat] the situation in our economy is now relatively favorable. It is based mainly on the fact that the scales of the reduction of social production this year are smaller than last and even smaller than those the government predicted. Which in turn has served as the pretext for Premier V. Chernomyrdin's quite optimistic speech at the recent State Duma session. But this self-reassurance is very misleading. The closer the end of one more year of hopes and disappointments in the protracted "transitional period" the more obvious it becomes that Russia's economy is still in crisis. Contrary to the "stabilization" declared by the government there is classic stagnation. This is borne out inexorably by the basic indicators.

Yes, indeed, an outward indicator — the GDP — has begun to decline less slowly. In the first half of last year the decline was measured at 40 percent and in

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the third quarter it slowed down somewhat and in the first nine months of this year it was just 3 percent. At first glance that is an impressive achievement. But serious specialists know that we see only what we see: A slow-down in the rate of production decline. And it is proceeding more slowly simply because there is almost no further for it to drop. But the result of the decline will, alas, be no less sad for that.

The process of decline is felt particularly painfully in Russian industry. In 1990 the structure of the gross product was as follows: Goods were 63 percent and services 35-36 percent. Last year goods were 48 percent and services 52 percent. In January-September 1995, the proportion of goods was reduced by several percent more. Prices for services, as we know, always rise more rapidly than the volume of goods production falls and so consolidated indicators for the domestic product look better than they really are. But if we take what the economic reform was carried out for — people's prosperity — then the picture looks quite sad. According to Goskomstat figures nominal monetary incomes received by the population over the first nine months of this year rose by 182 percent compared with the same period last year. But real monetary incomes declined 12 percent and credited wages calculated with a consideration for the consumer prices index declined 29 percent. As a result domestic demand declined and commodity turnover in the country fell by 10 percent.

The domestic structures of industrial production are also alarming. For instance, for the first time in very many years there has been a reduction in gas and oil extraction. Here the export of these very important raw material resources has increased substantially. The generation of electricity has declined by over one tenth! That is a very dangerous symptom signifying a drastic decline in the domestic consumption of energy and primarily by industry.

The second dangerous symptom is the reduction of freight turnover. Both by rail and by automotive transport. Automotive transport shipments serve primarily the light and food industries, timber processing, and machine building. Railroads ship everything connected with heavy industry, metallurgy, and machine building [as published]. And it is these key sectors for the economy which are constantly being reduced. And the present volume of output of light industry comprises just one fifth of the 1991 volume. What kind of "stabilization" is that? Counting on ordinary people's low level of economic training people show them methodologically incorrect indicators arrived at by linking them to allegedly comparable prices.

The continuing "corrosion" of Russian industry is proceeding against a gloomy investment background. Over the first nine months of this year, capital investments were just 83 percent of last year's level. Over the past five years, as statistics acknowledge, no one has engaged in the capital repair of equipment. Depreciation funds have simply been "eaten up." Nor have any serious investments come in. And if the already depleted manufacturing pool continues to be "broken up" then it is hard to make any even slightly "rosy" forecasts for the future. At best we can expect an increase in the volume of production of standard and technologically simple output that can be made on any universal equipment.

I recently visited a chemical plant which used to produce the world's purest rocket fuel. It had very complex manufacturing processes comprising a unique achievement for Russia and with no analogues so far. But today they are obliged to dye wool there, to sew sheepskin coats and blouses.... The production of chemical output has fallen to nil but they have sewn several thousand sheepskin coats for oil workers. Here statistics record an increase in the volume of production. But does this growth really attest to a revival of industry or, still less, to the stabilization of the economy?

The state of affairs as a whole in Russia's military-industrial complex, directly linked with the country's ability to safeguard its own national security, remains alarming. For five year snow enterprises of the defense sectors of industry have been obliged to live under conditions of the new permanent production decline. The situation with regard to the production of new types of arms and military equipment is particularly disquieting — the decline over the first eight months of this year was 22.8 percent. If the 1996 budget is adopted in the form suggested by the government then the volumes of deliveries of military equipment by industry for the Defense Ministry's needs will be only 6.9 percent of the 1991 level. Essentially that will mean the virtually total absence of the state defense order for Russian enterprises. There is concern for you for the country's security and its producers. By advancing at this pace the government will reduce Russia's armed forces to a state where it will be more correct to call them "armless forces."

The military-industrial complex' scientific and technical and technological base is being destroyed. According to forecasts this year research and development will be financed only 60 percent. You do not have to be Solomon to realize that in this situation Russia industry and particularly that part which products high-tech output simply will not have a future. And that can also be put down to the "great reformers."

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I am sure that the only way of extricating Russia's economy from crisis and stagnation is drastically to reorient economic policy whose basic principles were formulated back in the era of "market romanticism." It was initially based on the premise that inflation could be suppressed by reducing the quantity of money. It may be said that the idea has been realized — they have reduced the money mass by a factor of about 18 compared with 1991. But the economy has not started to work better as a result. On the contrary the experience of past years has shown that Russian industry responds to each percentage of decline in the money mass with a 4 percent reduction of production. As a result of the monetarist experiment conducted "without anesthetic" the majority of enterprises have clients and contractors and sources of raw material but have no money to buy that raw material, to pay for electricity, transport, and so forth. They will have no more money in the foreseeable future since the present government is continuing to apply the tested scheme for suppressing incomes. There is terrifying taxation of producers, the very hard conditions for the operation of banks, including economically unjustified reserving, taxing differences in the exchange rate, and so forth. They want to exact as much money as possible from producers' profits in order to make them turn in the "treadmill" of the chase after money. The banks are falling into this vortex, and inevitably the population is being drawn in, with all the ensuing pernicious consequences.

It is not that monetarist theory is bad. Like any theory it reveals only certain natural laws but if it is obstinately and forcibly dragged into our reality, taking no account of that reality, then it all ends very badly. After all, no where in the world is there, for instance, the degree of monopolization which remains to this day in our economy. For 900 of the most important producer goods, monopolists reign in our country. It is impossible to trade with them just as it is impossible to beat down prices for the services of gas industry workers, power workers, municipal services, and transport workers. So much for fine theories. Yet we have already traveled this sorry path once when they took the "teaching" of Marx, extracted individual theses from it, turned them into dogma, and then put themselves on this bed of Procrustes.

I believe we must proceed not from abstract theories but from a knowledge of our country's conditions, from the experience of its workers, engineers, and managers. There is only one cure for inflation — production growth and an increase in the supply of goods on the market. Only when there are a lot of goods will everyone begin to chase after money. Only then will prices begin to drop or at least rise more slowly. That is why I believe that from the policy of suppressing incomes we must immediately switch to a policy of building them up and encouraging them.

Primarily that means carrying out a radical tax reform. Only this reform should look quite different from the way it is proposed by the government today. You form the impression that the government is concerned only to ease the activity of the tax services and accountants. And incentives to the development of production and to labor are being consistently destroyed. The draft budget for 1996 submitted to the State Duma again demonstrates the refined policy of confiscating revenue from all producers. In my view radical changes are needed not only in the taxation system but also in the financing and credit mechanism and in export and import policy and they should be so broad that they are simply impossible without political backup.

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International Affairs

Kuchma Defends Length of Visit to Latin America

LD0111130595 Kiev Radio Ukraine World Service in Ukrainian 1100 GMT 1 Nov 95

[FBIS Translated Text] Replying to a question from a UKRINFORM correspondent concerning whether Leonid Kuchma's trip to Latin America is too long, particularly in view of the complex internal political and socioeconomic situation in Ukraine, the Ukrainian president said he is absolutely convinced that he should have visited all three countries: the Federal Republic of Brazil, the Republic of Argentina, and the Republic of Chile, considering the economic benefits of the three-country visit and in view of the comprehensive interests in the South American continent which is of benefit to Ukraine. The trip was aimed precisely at improving the situation in our country through establishing close cooperation with Brazil, Argentina, and Chile, all the more so as the possibilities for cooperation are considerable, the president stressed. If we exploit them by at least 80 percent, Ukraine will benefit from this.

However, Leonid Kuchma noted that we will achieve nothing unless there is political and legal stability in our country. The special features of this fact are evident, particularly as regards Chile, which in recent years has achieved much in terms of stabilizing the situation, curbing inflation, and speeding up the rate of economic development. The fact that stable countries attract foreign investments is also important, the Ukrainian president noted.

Russia Blamed For Not Meeting Black Sea Fleet CFE Targets

LD3110202695 Kiev UNIAN in Ukrainian 1530 GMT 31 Oct 95

[FBIS Translated Text] Kiev — A speedy solution to the problem of the Black Sea Fleet division is part of the Russian Federation's obligations under the Conventional Forces in Europe [CFE] Treaty. This was stated by Ukraine's Deputy Foreign Minister Kostyantyn while at the Kiev tank maintenance factory.

He said Ukraine has warned CFE countries more than once of its inability to meet the reduction target on Black Sea Fleet armaments based in Ukraine, but legally owned by Russia. The deputy foreign minister stressed that the presence of Black Sea Fleet land forces in Ukrainian territory is not covered by the treaty and that it is up to Russia to accept responsibility for failing to meet reduction requirements.

In his comment, Ukrainian Defense Minister Valeriy Shmarov said Ukraine will fulfil its obligations with regard to Black Sea Fleet armaments only after the fleet is divided. The Black Sea Fleet has 226 tanks, 667 armored vehicles, 117 gun barrels [as received], and 102 aircraft subject to reduction under the CFE Treaty.

Ukraine To Abstain From Security Issues at CIS Summit

LD0111195895 Moscow INTERFAX in English 1843 GMT 1 Nov 95

[FBIS Transcribed Text] KIEV, Nov 1 (Interfax - Ukraine) — Ukrainian Prime Minister Yevhen Marchuk said Ukraine would not take part in the discussion of problems regarding CIS collective security at the meeting of the CIS prime ministers in Moscow on November 3.

"There are few disputed issues on the agenda," Marchuk, who also heads the Ukrainian delegation, told Interfax-Ukraine.

The summit agenda includes 17 issues. In particular, they are expected to discuss a coordinated policy for natural gas transit, a memorandum on the principles for interaction and cooperation in the area of civil aviation.

Among military problems the CIS prime ministers will discuss financing and supply problems, as well as customs issues and import-export tax incentives for the creation of the CIS joint air defense system. The CIS prime ministers are expected to conclude agreements on unifying standards for arms and military equipment, on cooperation for preparing border guards.

The prime ministers will also discuss problems related to the CIS structures and their funding.

"Among the agreements, which are now being drafted, there are some which will be useful for Ukraine, especially if they are put in place," Marchuk said. "We are going to Moscow in working mood," he added.

Ukraine, Belarus Define Mutual Border

LD0111223495 Moscow ITAR-TASS World Service in Russian 2020 GMT 1 Nov 95

[By Ukrinform correspondent Aleksandr Oleynik for TASS]

[FBIS Translated Text] Chernigov, 1 Nov — The completion of the demarcation of the state border between the Republic of Belarus and Ukraine was announced today at a news conference by the leaders of the two countries' working groups. The final meeting of the delegations took place in Chernigov, after which all the cartographic material and the protocol describing the state border will be handed over for initialling and

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for the signing of a treaty on the subject at government level.

In the course of two years, the representatives of the various ministries and departments of the two countries held five plenary sittings and five working meetings, during which over 200 maps were worked on and controversial issues were agreed, bearing in mind both state interests and those of the local people.

The leaders of the working groups, Leonid Osavolyuk for Ukraine and Leonid Korovayko for Belarus, declared at the news conference that the borders are needed as attributes of the state. However, in this particular case they will unite, rather than divide, the two fraternal peoples.

National Affairs

Kuchma To Overrule Supreme Council Veto on Edict

LD0111185995 Kiev UNIAN in Ukrainian 1630 GMT 1 Nov 95

[FBIS Translated Text] Kiev — In a statement issued today, the Ukrainian president's press service has described the Supreme Council's veto of the presidential edict on local administrations as "another attempt by certain political forces to paralyze the newly-formed executive power structure, yet again upsetting stability in society, and putting obstacles in the way of much-awaited improvement."

It said new attempts were being made to drag the president into confrontation between the legislative and executive branches. The president cannot put up with this course of developments and will have to "enforce the edict in the interests of the state," the press service said.

More on Parliament's Veto of Kuchma Local Power Edict

WS0111151195 Kiev INTELNEWS in English 1104 GMT 1 Nov 95

[By Oksana Hasiuk, INTELNEWS Staff Writer]

[FBIS Transcribed Text] Kiev, Oct. 31 — Parliament on Tuesday vetoed President Leonid Kuchma's August decree on work regulations of state administrations in oblasts and the cities of Kiev and Sevastopol.

The president, according to the decree, issued regulations on the regional administration activity. However, Oleksandr Steshenko, parliamentary state building, local council activity and local self-government committee chairman, said that the Parliament Presidium in September ordered his committee to study Kuchma's decree.

According to Steshenko, the decree contradicts article 18 of the Power Bill, which was enforced by signing the Constitutional Agreement between Parliament and the president this summer. The article states that the status of state executive bodies is to be outlined exclusively by laws while the president's regulations on local state administrations are not laws.

At the same time, article 18 of the bill provides that local administration activity should be determined by regulations that are issued by the president.

Steshenko said that the presidential regulations on administrations contradict Ukrainian laws on the state budget, on local councils and local self-government.

Kuchma's regulations granted local administrations the right to approve local budgets and make amendments to them. However, Ukrainian laws grant these rights exclusively to local councils.

The regulations also granted administrations the right to organize elections and local referendums, Steshenko said, while Ukrainian laws on elections, and on nationwide and local referendums reserve these rights for councils, their leaders, elections committees and referendums committees.

According to the regulations, the administrations have the right to set and change residential zoning, to abolish decisions of local enterprises when those decisions violate Ukrainian law.

But Steshenko said these provisions violate Ukrainian laws on entrepreneurship in addition to violating the Power Bill.

Oleksandr Lavrynovych, parliamentary legal committee deputy chairman, said "the Power Bill does not exist." Only the Constitutional Agreement, including the bill, exists, according to Lavrynovych.

The legal committee deputy chairman proposed that Parliament appeal to the presidential administration to make amendments to its regulations on state administrations. Deputies rejected the proposal.

Instead the Rada passed a decision to create a joint group, consisting of parliamentary and presidential representatives to elaborate the regulations. According to Parliament's resolution, the group should consist of three deputies and three presidential representatives.

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Parliament Speakers Interviewed on Draft Constitution

WS0211095395 Kiev INTELNEWS in English 0100 GMT 2 Nov 95

[By Volodymyr Katzman, "Special to INTELNEWS]

[FBIS Transcribed Text] Parliament Speaker Oleksandr Moroz, in his capacity as co-chairman of the Constitutional Committee, exhibited overwhelmingly negative opinions after meeting with experts preparing the draft of Ukraine's new Constitution in Pushcha-Ozerna. In an exclusive interview with INTELNEWS correspondent Volodymyr Katzman, the speaker gave his views on the status of the country's new legal document.

"I cannot state optimistically, as has been done on my behalf by presidential aides, that the text of the Constitution is basically ready. It is far from finished; a lot of work still needs to be done. The committee is working hard and some provisions are already prepared, but, as would be expected, not all points are agreed upon."

Moroz continued, touching on the problem of the branches of power. "The first problem and foremost consideration has to be the separation of power. The president has spoken several times on this, and I completely support him. We have to create a situation in which the different branches will have a clearly defined area of jurisdiction, avoiding overlap and confusion.

"The Constitution must be strict in granting legislative powers only to the Parliament," Moroz stated. "In this way we will avoid the collisions of parallel law-making like we have today.

"According to the draft Constitution, the Parliament would be formed on a proportional basis, which means we will have coalition or party majority."

Criticizing the present anarchic distribution of power, Moroz said, "The mechanisms of government formation which were installed by the Constitutional Agreement are unacceptable and cannot be validated by the new Constitution. Under the agreement it is entirely likely that the government and Parliament would be based on political directions which fundamentally contradict each other.

"If the new Constitution were to adopt the regulations of the Constitutional Agreement, a constant state of crisis would be unavoidable. I'm ready to propose several variants on how to avoid such a state."

Returning to the question of approving the new Constitution, Moroz said, "I'm very skeptical about approving it by referendum. We have to clarify who has the authority to announce a referendum and on what conditions it will be held. It is not that I doubt its legitimacy. Rather, in its essence, a referendum is not an adequate tool for voting on a constitution. A referendum decides how people feel about a particular law, regardless whether the law is anarchic or monarchic in content. People answer concretely yes or no. A yes or no answer cannot pertain to a constitution."

"In all probability, the mechanism of a constitution's ratification will need to be decided on the legislative level. And as of today, the committee is still far from a final version of the first draft.

"To my mind, it would be better if the Constitution were approved by the Parliament or another body," Moroz continued. "At any rate, that is what the existing Constitution says. This is why we have to work out a document that would satisfy a Parliament. I reiterate: we are creating the Constitution not for the present Parliament, the president and government. We are creating the Constitution to be used by the state for many years to come, forever if possible. Hopefully forever."

New Constitution Will Give Sevastopol 'Special' Status

MK0111150695 Moscow KOMMERSANT-DAILY in Russian 1 Nov 95 p 4

[Unattributed report: "A Special Status Defined for Sevastopol"]

[FBIS Translated Text] A conciliation commission, comprising members of the Ukraine Supreme Soviet and deputies of the Crimea parliament, has approved a draft new Crimea constitution which will today be submitted to the peninsula's Supreme Soviet. Under an agreement between Kiev and Simferopol, Sevastopol will be territorially incorporated in the Republic of Crimea with the discretion to nominate deputies for the Crimea parliament, while the city authorities will answer directly to Ukraine's central authorities. Sevastopol's special status will be defined by Ukrainian laws.

Kiev Sets Conditions for Passing of Crimean Constitution

LD0111171895 Kiev Radio Ukraine World Service in Ukrainian 1300 GMT 1 Nov 95

[FBIS Translated Text] Dmytro Stepanyuk, the head of the working group set up to coordinate the Crimean Constitution with the Supreme Council of Crimea [as heard], who is visiting Crimea, said, when asked by journalists about the progress of work on the Crimean Constitution, that the working group has not discussed

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the issue of force structures, deployment of military units, and the status of the city of Sevastopol because that is the level of negotiations between the leadership of the legislative and executive powers. As for the general chapters of the Constitution, i.e. the economic powers of Crimea, said Stepanyuk, we recommend that the Crimean deputies take into account the opinion of the working group of the Supreme Council of Ukraine. If that does not happen we will find it very difficult to pass this version through the Supreme Council of Ukraine. There are some fundamental provisions about which the working group feels very strongly.

Crimean Parliament Approves Constitution 'In Principle'

LD0111194995 Kiev UNIAN in Ukrainian 1845 GMT 1 Nov 95

[FBIS Translated Text] Simferopol, 1 Nov — The Crimean Supreme Council has approved the autonomy's draft Constitution in principle, by a margin of 74 to 1 and two abstentions. One deputy refused to vote on the draft.

The new Constitution defines Crimea as an autonomous part of Ukraine, officially named the Republic of Crimea. The people of Crimea have internal Crimean citizenship within Ukraine. The city of Sevastopol is an inseparable part of Crimea whose status is determined by Ukrainian legislation.

Controversy flared up over the articles concerning state languages on the peninsula and the official language of business communication, as well as guaranteed representation of deported peoples in government bodies. Under the agreed version, Crimea's state languages are Ukrainian, Russian, and Crimean-Tatar, while the official language of business communication is Russian.

Enver Kurtiyev, a deputy for the Kurultay faction [representing Crimean Tatars and other non-Russian ethnic minorities], went on a political hunger strike protesting against the rejection of his proposal to ensure guaranteed representation for deported peoples in government bodies.

Under the new Constitution, the head of the Ukrainian Security Service Main [SBU] Directorate in Crimea is appointed by the Ukrainian Security Service chairman in coordination with the presidium of the Crimean Supreme Council and dismissed by the SBU chairman with the consent of the Crimean Supreme Council speaker. The head of the Ukrainian Internal Affairs Ministry Main Directorate in Crimea is appointed by the Ukrainian internal affairs minister with the consent of the Supreme Council of Crimea.

Economic Issues

Marchuk Dissatisfied With Pace of Economic Reforms

LD0111203695 Moscow INTERFAX in English 1843 GMT 1 Nov 95

[FBIS Transcribed Text] KIEV, Nov 1 (Interfax - Ukraine) — Ukrainian Prime Minister Yevhen Marchuk on Wednesday expressed dissatisfaction with the current pace of economic reforms in the former Soviet republic.

The reforms must be "speeded up considerably," Marchuk told a delegation of British business people in Kiev.

Speaking on plans to demonopolize his country's economy, he said: "Without arbitrary interference by the state it'simpossible to beat the monopolies... Those are not really market mechanisms, but in our situation that is the only solution."

He said the government also planned to use its authority to restructure industry, for which a "special body" would be set up.

The prime minister said more than 100 legislative acts were needed to push the reforms forward and enable the government to carry out an economic program it had drawn up. "We have a basic understanding with parliament on that matter, although there are certain problems," he said.

British delegation leader Derek Hornby, chairman of the British Foreign Trade Council, said Britain would give Ukraine "full support" in the European Union and was ready to share with the ex-Soviet republic experience it had gained in restructuring its coal industry.

Gazprom Promises To Meet Ukraine's Natural Gas Needs

LD0111184095 Moscow INTERFAX in English 1602 GMT 1 Nov 95

[FBIS Transcribed Text] KIEV, Nov 1 (Interfax - Ukraine) — Ukrainian Deputy Prime-Minister Pavel Lazarenko and a delegation of the Russian gas corporation Gazprom led by its Chairman Rem Vyakhirev completed talks in Kiev Wednesday.

Lazarenko's press secretary told Interfax - Ukraine that an agreement was reached on separating payments for gas transit and for deliveries to Ukraine.

Ukraine suggested a new concept of supplies. "Non-government companies that will have direct agreements with Gazprom will offer imported Russian gas at an energy exchange to be formed," the spokesman said.

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"The Ukrainian Government can no longer carry the burden of securing payments for consumed Russian gas," he added.

"A document was worked out defining the relations of the sides in gas trade and transit to Western Europe," Vyakhirev announced after the talks.

He said Gazprom will deliver over 50 billion cubic meters of natural gas to Ukraine in 1996. "We will supply Ukraine with as much gas as it needs," he said.

According to Vyakhirev, the ideologies of the sides on payments coincide. "Nobody's interests will be trampled on. We firmly agreed on that with Pavel Lazarenko," he added.

The press secretary said Ukraine owes nothing for current deliveries. The debt for the 1994 deliveries which he accounted to the difference in currency rates is estimated at $640-700 million. Ukraine raised the question of restructuring the debt which will be settled through talks.

Under the contract between Gazprom and Ukrgazprom Russian gas deliveries should amount to 51.9 billion cubic meters this year. The figure for 1994 was 55.9 billion.

On October 1 Ukraine owed $198 million for gas to Russia and $48 million to Turkmenistan.

UK To Provide $111 Million for Coal Mine Modernization

LD0111202595 Kiev UNIAN in Ukrainian 1845 GMT 1 Nov 95

[FBIS Translated Text] Kiev — During the talks between representatives of the Ministry of Coal Industry and the British company Longwall International an agreement was reached on British assistance in modernizing three Ukrainian coal mines. This was announced by Herbert Stockly, commercial director of this company, at a meeting today between the British delegation and Prime Minister Yevhen Marchuk.

He said that it is planned that British technology will be provided for modernization of Ukrainian mines. The sides are now coordinating the date of the visit to Ukraine of a group of British experts who will continue the talks on cooperation in the coal industry.

According to UNIAN's preliminary information, Great Britain expects to allocate $111 million for this program.

A government program envisages that the closure process of 38 unprofitable mines will begin in 1995-1996.

Mining, Financial Situation in Krivbass Viewed

WS0211115295 Dnepropetrovsk DNEPROVSKAYA PANORAMA in Russian 20 Oct 95 p 1

[Report on interview with Kryvyy Rih Mayor Yuriy Lyubonenko, by Olena Krasykova; in Kryvyy Rih, date not given: "We Can Choose Assistance Options"]

[FBIS Translated Text] At a briefing organized by the city council press service, the head of the Krivyy Rih City Administration analyzed the current economic situation in Krivbass [iron ore mining basin]. Only four mines in the "Krivbassruda" association are profitable; all the rest may be called bankrupt.

A governmental commission has recently worked at industrial enterprises in Krivyy Rih; Yu. Lyubonenko met with First Deputy Prime Minister P. Lazarenko on 15 October. Extensive work done by the commission and the high-level meeting resulted in a resolution on the government's active intervention in the regional economy; otherwise, there would have been effects bad for the region and tragic for workers of the mining branches. In the first place, mines would be shut down. "There is no harm without good — the city air will become cleaner," that is what some people in the city might say. Given the environmental situation in Krivyy Rih, it would be difficult not to agree with this, particularly since city scientific research institutes have already worked out extensive programs that would end with the shutting of the mines. However, what will become with many thousands of miners and their families? Besides, 80 percent of the ore mined in Krivbass is exported abroad. It is enough to halt shipments only for a brief period, and the neighboring industrial giant, Russia, will seize the market. Thus, there should be many injections made to cure the sick economy, in the form of both working capital and credits with minimum interest rates; and in the future, there should also be a restructuring coordinated with the Ministry of Industry. Despite all hindrances, such concentrating mills as SevGOK, InGOK, TsGOK, and YuGOK are prospective enterprises. Moreover, the reserves of ore will suffice their needs for 150 or even 200 years.

Wages and Salaries

The current liabilities of the city budget are equal to 2 trillion karbovantsi [K], while the payments due to the budget amount to around K3 trillion. Our debts are so serious that this month's wages and salaries for the budget sector employees will most likely be delayed one to two weeks. The payments for energy resources amount to 75 percent of the budget income. The total sum of monthly wages and salaries for the budget

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sector employees in the city is equal to K600 billion. It is enough to make simple arithmetic calculations to understand the recent directive sent to the rayons: 75 percent of funds should be allotted to pay debts for energy resources, while 25 percent should be used to pay wages and salaries.

Fast Trolly

Leaders of the city electric-powered transportation announce with full responsibility: A bed for the fast trolly track has been ready; rails, cross ties, and contact wire have been purchased. God willing, the new line will be n operation by the end of next year.

Yuriy Viktorovych Answered Questions From Your Correspondent

[Krasykova] It is known that scientific research institutes in the city have worked out a project for developing the mining branch in Krivbass. Has this project been approved? Will the basic guidelines of the project be discussed during the imminent visit of a Krivyy Rih delegation to Kiev?

[Lyubonenko] The scientists' proposals are still "raw." They are completely cut off from life. Specific proposals are currently being worked out.

[Krasykova] An emergency waste water discharge into the rivers of Inhulets and Saksahan occurred this past spring. Is such an occurrence not planned for the spring of 1996?

[Lyubonenko] There is no other way to dispose of waste water in mines. Evaporating water is a costly comfort. We did not discharge waste water in 1994; this year we had to do this in an emergency situation. The water level in the Karachunovskoye water reservoir has now been somewhat lowered; we fear that there may be spring floods.

There are 17 mines and five concentration mills in our city; waste water from them contains a high concentration of salts. As for waste water discharges, they should be accomplished in a "standard" way, not in emergency situations.

[Krasykova] Has the International Bank of Reconstruction and Development [IBRD] not lost its interest in Krivyy Rih? Is it possible for us to cooperate with this bank in the future?

[Lyubonenko] I have received an invitation to visit England in late November. We will be able to present a 10-minute report on the situation in the city to representatives of 12 banks. Today we have a possibility to negotiate and choose the conditions that we prefer most.

Unfortunately, cooperation with the IBRD is being hampered by... our Supreme Council. Due to the Supreme Council, we cannot sell land together with facilities, we cannot lease it for long periods of time. Under the circumstances where there are no hard guarantees, Western businessmen are not eager to invest their money in enterprises.

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Belarus

NATO Visitors Fail To 'Reassure' on NATO Expansion

MM0111141395 Moscow KRASNAYA ZVEZDA in Russian 1 Nov 95 p 3

[Report by Valeriy Kovalev: "Visitors From Brussels Did Not Reassure Belarusians"]

[FBIS Translated Text] Belarus had visits from two prestigious NATO delegations, separated by a few days. First Minsk had a visit from Gerhardt von Moltke, assistant to the secretary general of the North Atlantic Alliance on political questions, and on 24-26 October it was General Helge Hansen, commander in chief of NATO allied armed forces in Central Europe.

All the indications are that both visits pursued the same goal — to persuade the leadership of Belarus that the planned NATO expansion does not constitute a danger to countries that do not intend to join the military-political alliance. However, it seems the North Atlantic Alliance's representatives did not succeed in "reassuring" the Belarusian side. As Mikhail Chyhir, prime minister of the Republic of Belarus, stated after meeting with von Moltke, the republic's position remains unchanged: Belarus is still opposed to the bloc's eastward expansion. At a press conference devoted to the results of the visit, Gen. Hansen also was forced to note with regret that "we have not yet managed to reach a mutual understanding" on the problem of the admission of new countries to NATO.

Prime Minister Leaves for CIS Summit in Moscow

WS0211090695 Minsk Radio Minsk Network in Belarusian 0400 GMT 2 Nov 95

[FBIS Translated Text] A Belarusian governmental delegation headed by Prime Minister Mikhail Chyhir today left for Moscow to attend a regular meeting of CIS countries' government leaders. The agenda of the meeting includes around 20 issues, the majority of which represent particular bricks in the legal foundation of an economic union. This union cannot be formed without a common scientific and technological area within the framework of the Commonwealth, cooperation on civil aviation safety, a coordinated policy toward the establishment of one information area, as well as other areas of cooperation. It has not been ruled out that another document, which initially was not planned, will be discussed at this meeting. The talk is about an appeal by the Belarusian, Kazakh, and Russian prime ministers to governments of other CIS countries to express their attitude toward the customs union the three countries are beginning to set up.

Envoy's Iraq Trip Seen as Trial Balloon for Russia

MM0211092095 Moscow IZVESTIYA in Russian 2 Nov 95 p 3

[Report by Aleksandr Starikevich: "Saddam Tries To Break Blockade in Belarusian Sector"]

[FBIS Translated Text] Minsk — High-ranking Belarusian official Vladimir Zametalin's visit to Iraq was in itself a sensation. But its results may prove even more of a surprise.

Deputy Presidential Chief of Staff Vladimir Zametalin is one of Alyaksandr Lukashenka's most trusted people. People in Belarus learned of his trip to the east from Iraqi news agency reports that arrived in Minsk via diplomatic channels. They said, inter alia: "President Saddam Husayn received Saturday [28 October] Belarusian President Alyaksandr Lukashenka's personal envoy Vladimir Petrovich Zametalin, deputy head of the presidential chancellery. During the meeting Mr. Zametalin gave President Saddam Husayn a written message from President Lukashenka pertaining to relations between Iraq and Belarus and the effect of the sanctions against Iraq."

Vladimir Zametalin noted that the plebiscite held in Iraq, which he witnessed, was organized in accordance with democratic norms. In this connection the Belarusian official described the actions taken by the UN Security Council and the United States against Iraq as the "legalized isolation of 18 million people from the world community." Zametalin thinks that the reason for everything "is the intention to take control of the 60 percent [as published] of the world's oil that belongs to the Iraqi people."

But the main surprise was Vladimir Zametalin's statement regarding the coming large-scale strengthening of nonstate relations and trade and economic links between Minsk and Baghdad. An INTERFAX report cites the Belarusian presidential envoy as follows: "If the United States really intends to install its nuclear reactors in North Korea, why can Russia or Belarus not do the same in Iraq?"

During a conversation with your IZVESTIYA correspondent Vladimir Zametalin noted that he was only reiterating something that Russian President Boris Yeltsin had said. Moreover he was using the words in a purely metaphorical sense. In actual fact the issue of nuclear shipments to Iraq has not been settled. For the moment at least.

The deputy presidential chief of staff went to Iraq at the personal invitation of that country's authorities after coordinating his visit with Alyaksandr Lukashenka.

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Right now it is not entirely clear why Belarus needed to perform this act of solidarity with a country on which the world community has imposed sanctions owing to its aggressive policy. Some analysts believe that Belarus has once again been used by certain Russian forces as a trial balloon. Russia does not always get away with dubious initiatives. Particularly when there is Belarus, which is forced to pay for cheap Russian energy sources with its own political reputation. It has happened before, when Alyaksandr Lukashenka declared that he was suspending the arms destruction envisaged by international accords.

Foreign Policy Seen Harmful to Country's Image

WS0211100895 Minsk BELAPAN in English 0735 GMT 2 Nov 95

[Article by Ales Lipay: "Belarus Is Swindling Its Foreign Policy, and the West Does Not Even Pretend To Ignore That," from the "Analytical Bulletin" feature No. 55, 25-31 October 1995]

[FBIS Transcribed Text] Belarus seems to be a deceiving state. This was announced by "The WASHINGTON TIMES" of October 24 in a big article about this country and, first of all, about President Lukashenka's policy. Holding back our patriotic feelings, we have to admit that the latest steps taken in foreign policy and the statements of the Belarusian leadership caused much harm to the image of the country on the international stage.

Let us just recall the groundless accusations addressed to the Polish "Solidarnosc" and the United States concerning their alleged participation in staging strikes at the Minsk Metro or the recent [Presidential Administration information service chief] Uladzimir Zamyatalin's travel to Iraq, a country finding itself in international isolation due to the ruling regime, as a special envoy of the Belarusian President. The development of the relations with this country turned out to be the most important step in the implementation of Belarusian interests in the Near East, about which we, common citizens, did not even know. We should also recall the so-called "Turkish spies" detained by the order from Moscow and the balloon with two Americans shot down recently due to a tragic negligence.

The paranoia of Belarusian foreign policy has entered the stage when they even allow themselves to launch non-diplomatic attacks on Russia, the state, the relations with which are limited, when the paranoia is eased, to mere flattery addressed to the "big brother" by the "small" one. [as received] I mean the recent interview of the Head of the Belarusian state to the Krasnoyarsk television, in which he predicted that the third signatory of the Viskuli Agreements [dissolving the Soviet Union], i.e., the present Russian President Boris Yeltsin, would be cursed for having done so.

The cooperation with international military organisations and the fulfillment of the commitments in arms reduction takes a separate page in the history of young Belarusian foreign policy. We still remember the running-high feeling about drawing Belarus into the Treaty on Collective Security of the CIS countries. This has been accomplished in the long run. The thing is that a 'child' of the CIS was again born dead. With Alyaksandr Lukashenka becoming president, acute is the theme of Belarus' fulfillment of international commitments. Despite different declarations of the Belarusian leadership, the international community is not too willing to trust us. The aforementioned "WASHINGTON POST," [as received] as if answering the statements of the Belarusian military that by the end of 1996 the Republic will have got rid of all nuclear weapons on its territory, suspects Belarus of holding back some missiles from international inspections. The grounds for this distrust was provided by the unexpected suspension of Belarus' fulfillment of its commitments under the Conventional Armed Forces in Europe Treaty, which was announced a year ago. So far, the elimination of armoured cars and military craft has been resumed, but the action is again influenced by the Russian military. For example, when the Assistant to the NATO Secretary-General, Gerchard von Moltke, visited Minsk a week ago, the Belarusian Prime Minister Mikhail Chyhir declared that the future participation of Belarus in the NATO "Partnership for Peace" programme is possible only under the condition that the parties coordinate their positions with the direct participation of Russia.

The fact that not much is clear about Belarus' participation in this programme is proven by the numerous visits of NATO delegations to the Belarusian capital. Last week a new delegation headed by Commander-in-Chief of the Allied Forces in Central Europe, General Helge Hansen, negotiated with the Belarusian party on this issue. Our high-ranking military men, unlike the Prime-Minister, boldly said that the leadership consider it necessary to develop the cooperation with NATO within the framework of the "Partnership for Peace" programme. However, this is just a declaration. If we consider the behaviour of Belarusian supreme powers, we may single out two trends. Firstly, the uneasiness of the leadership about the NATO expansion to the East is as obvious as the connection of this uneasiness with the same feeling among Russian generals. Meanwhile, this feeling is not perfectly realised, because there is a mess about who is the real culprit of this uneasiness. As General Hansen reasonably mentioned, it is not NATO which is striving for eastward expansion, but some Eastern Europe

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countries which are willing to enter the North-Atlantic Alliance. The second trend relates to the discussions about the recreation of some balance to NATO in the post-Soviet space. Let me repeat, in this respect the CIS collective security system has proven ineffective despite the hopes put on it by generals and politicians. The latest statements of the Belarusian President as well as of some Russian leaders about the formation of such a balance on the territories of some countries of the former USSR should be considered a ballon d'essai [translation unknown]. It will depend on the response of the NATO member-states whether this balance will be formed. The more frequent contact of NATO delegations with the Belarusian and Russian military — this is the response. Or, at least, one of its constituents.

Lukashenka Denies Rumors of Dismissing Foreign Minister

LD0111191395 Moscow INTERFAX in English 1646 GMT 1 Nov 95

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Alyaksandr Lukashenka has denied rumors about the possible resignation of Foreign Minister Uladzimir Syanko in the near future.

At a Wednesday news conference in Mogilev he said that despite the peculiarity of Syanko's views and approaches to a number of questions there is no reason to dismiss him. "As long as Syanko pursues the policy of the president, a policy based on the results of the integration referendum with Russia, he will remain minister," Lukashenka stressed.

The president said the rumors were circulated especially actively when Lukashenka and Syanko were attending festivities on the UN jubilee in New York. In the president's opinion the campaign was organized by opposition forces for moral terrorism against a skilled career diplomat.

Lukashenka saw certain shortcomings in the enforcement of the agreement on a customs union with Russia. He made it understood that he is not satisfied with the Russian side which in his opinion is not working sufficiently on offering equal opportunities to the companies of the two countries.

IF note: Under the treaty equal opportunities are given in exchange for using Russian military facilities, supporting Russian troops stationed in Belarus as well as beneficial tariffs for the transit of goods for Russia.

In Lukashenka's opinion, Russia could set a relatively low fixed price for oil and gas imported by Belarus for the entire year of 1996.

He also made it understood that contrary to pressure from the opposition he will prevent parliamentary elections on November 29 according to the pattern approved by the old Supreme Soviet which would bring a deputy to parliament with the support of 25 percent of registered voters.

Lukashenka said elections according to this principle would be a time bomb for the new legislative body and stressed that such a parliament would be doomed to arguments over who is more legitimate - those elected by 25 percent or 50 percent of voters.

The president said he would call to book Prime-Minister Mikhail Chyhir and Social Security Minister Volha Darhel for delays in the payment of pensions in several regions. He said the two officials would have several unpleasant minutes in the company of the president and stressed the need to organize regular payment of pensions and earnings.

Lukashenka said that by New Year the heads of all companies and offices must pay wages and salaries to their employees and return their debts.

Interior Ministry Troops Allowed To Act 'Independently'

WS0211085995 Minsk BELAPAN in English 0735 GMT 2 Nov 95

[FBIS Transcribed Text] According to information received, at its October 31 sitting the Military Council of the Internal Troops decided to stir Internal Troops units to greater activity in the maintenance of public law and order. It was decided, in particular, to allow Internal Troops units and subdivisions to act independently, i.e. exclusively proceeding from specific circumstances, to increase the concentration of patrols in towns, to create mobile groups of units for special missions, to more frequently use the blockades of areas and raids.

Speaking at the sitting, which was also attended by the chiefs of the regional boards of internal affairs, the acting minister for internal affairs, Viktar Sheyman, said that the President had signed that day a decree concerning social guarantees for the employees of bodies of internal affairs and prosecutor's offices. As a matter of fact, the decree returned the privileges that this category of state employees was deprived of by the President in mid-September. According to Mr. Sheyman, at the end of this week the President will determine on the return of free use of public transport.

Of particular interest was information given by Viktar Sheyman as regards the ex-minister of internal affairs Yuryy Zakharenka's intention to purchase Opel cars in Germany. As is generally known, speaking at

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a meeting with representative of veteran organisations the President mentioned this intention while explaining the reasons provoking Zakharenka's dismissal. Nevertheless, according to Viktar Sheyman, 184 Opels were purchased and will be distributed among the boards of internal affairs in the near future.

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Kazakhstan

Nazarbayev, U.S. Vice President Discuss Military Exercises

LD0111174995 Moscow INTERFAX in English 1646 GMT 1 Nov 95

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] A 90-minute meeting of Kazakh President Nursultan Nazarbayev and US Vice-President Albert Gore was held during Nazarbayev's U.S. visit to discuss a possibility of joint military exercises in the Central Asia as part of the Partnership for Peace program. The President visited the United States to attend the jubilee session of the U.N. General Assembly, Kazakh Foreign Minister Kasymzhomart Tokayev told Interfax Tuesday.

The sides said that the drill could also involve Uzbekistan, Kyrgyzstan and Russia.

The interlocutors considered bilateral cooperation in defense, which is viewed by Almaty as an important element in the well-balanced foreign policy of Kazakhstan.

They confirmed the agreement on an official U.S. visit of the Kazakh Defense Minister in December 1995 or January 1996. The visit is expected to discuss interaction in training of Kazakh officers and a possibility to arm the Kazakh Armed Forces with some U.S.-made weapons.

The Kazakh leader gave to understand that Almaty, "a stronghold of democracy and reforms in the Central Asia," counts on more attention of Washington.

When discussing exports of Kazakh oil, the President said that construction of an oil pipeline is a key question for the republic because Kazakh prosperity is impossible without larger oil output nd a possibility of oil exports.

(According to official estimations, Kazakhstan is able to increase the oil production to 100 million tonnes a year - IF).

The sides supported the idea of two-route transportation of Azeri Caspian oil - via Russia, and via Georgia and Turkey.

Commenting on the Caspian problem, including the international-legal status of the Caspian sea, Nazarbayev was assured by Gore that this water-pond shall have the sea status. This will enable demarcation of state borders on the Caspian sea and give every coastal state the right to independent extraction and use of resources.

IF Note: This stand is opposed by Russia and Iran, which think that the Caspian sea is actually a lake. Under international norms, lakes are not divided into national zones, and natural resources are extracted jointly by all the coastal states.

In his turn, Gore positively estimated the role of Kazakhstan in the Central Asia. In his words, independent, stable and democratic Kazakhstan is extremely important for the United States.

Foreign Minister Sees No Base for CIS Military Union

LD0111180695 Moscow INTERFAX in English 1643 GMT 1 Nov 95

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] ALMATY, Nov 1 (Interfax) — Kazakhstan's Foreign Minister Kasymzhomart Tokayev "sees no real basis" for a military alliance of CIS member-states. He was speaking in an interview on the eve of talks with his Russian counterpart Andrey Kozyrev due in Moscow on November 2.

Tokayev said that Russia's proposal for forming such a union would be discussed at the meeting. "This question requires close consideration, though," Tokayev said.

He believes that it would be far more reasonable to focus on how to make better use of the collective security treaty concluded by six CIS member-states in Tashkent in May 1992.

Tokayev said he was going to discuss with Kozyrev a wide range of issues concerning bilateral relations and concerted action in the international scene.

Nuclear Power Plant To Be Built on Semipalatinsk Site

LD0111202095 Almaty PANORAMA in Russian 1 Nov 95 p1

[FBIS Translated Text] On 18 October, an important resolution was adopted by the Government, according to which resolute steps are to be taken to develop the nuclear power industry in the republic. Very close to this date, proposals by a number of ministries and departments were adopted for the construction "of a nuclear power station of the last generation" on the territory of the former Semipalatinsk nuclear testing site, and in line with this an instruction has been issued on putting the project out to international tender.

According to other paragraphs of the resolution, laws governing the use of nuclear energy and also a concept for developing the energy sector in the Republic of Kazakhstan — including nuclear energy — for the period through to the year 2030, should be prepared and introduced to the government by the end of the current year. Three ministries are also to prepare a technical and

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economic report "on good locations for atomic power units in the republic."

Kyrgyzstan

Premier Speaks of Restoring Close Ties With Russia

LD0111191695 Moscow INTERFAX in English 1646 GMT 1 Nov 95

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Prime Minister Apas Dzhumagulov speaking at the end of a meeting of Kyrgyz and Russian industrialists and entrepreneurs in Bishkek on Tuesday said the forum was instilling great expectations for restoring the now-disrupted economic ties between the two countries. He spoke of a disastrous slump in bilateral trade in the past three years with the negative trend increasing.

Dzhumagulov said Bishkek was dead set to try to recover the lost positions in economic cooperation with Russia by all means available including meetings on business level.

For his part, leader of the Russian Union of Industrialists and Entrepreneurs Arkadiy Volskiy said the position taken by Kyrgyz officials on CIS economic integration marked them as people "who know what must be done."

He described the notion of economic sovereignty as being absurd saying there was general understanding in Russia, Kazakhstan, Kyrgyzstan and Belarus they must work together. He said general euphoria from sovereignty declarations was now replaced by general mood for CIS integration.

Volskiy said the two sides were expected to sign about 20 of the 40 agreements discussed including a cooperation deal between Kyrgyz and Russian industrialists which provides for partnership in sectors such as defense, manufacturing, electrical engineering and oil exploration as well as tourist projects on Issyk-Kul Lake and many others.

Communist Congress Nominates Masaliyev for President

MM0211095295 Moscow PRAVDA in Russian 1 Nov 95 p 1

[Report by Nadezhda Garifullina: "To the Accompaniment of Soviet Marches. Kyrgyz Communist Leader Absamat Masaliyev Nominated Presidential Candidate"]

[FBIS Translated Text] A Party of Communists of Kyrgyzstan Congress has been held in Bishkek. The words spoken by Central Executive Committee Chairman Absamat Masaliyev came as a revelation:

"It is clear today that the Soviet period of history represents a time of obvious economic and cultural prosperity for the republic, it was during the Soviet period that the Kyrgyz became a nation, a people, and acquired true statehood. Today there is a big question mark hanging over that statehood. The economy has been brought down. Here is an extremely eloquent fact: U.S. experts justify the need to explore gold fields in the republic by saying that the Kyrgyz labor force is 300 times cheaper than in the United States, to all intents and purposes virtually free of charge. Therefore all working people's hopes are pinned on the restoration of the single Union state."

The keynote speaker and other speakers voiced a high opinion of the 30th Union of Communist Parties-CPSU [UCP-CPSU] Congress. It is not only Communists from Kyrgyzstan who consider the adoption of a unified UCP-CPSU program a tremendous step forward but also those from Kazakhstan and Tajikistan who took part in the congress. "It is necessary to advance toward a single party and the restoration of the Soviet Union," I was told by UCP-CPSU Council Chairman Oleg Shenin during a brief interview on his return from Bishkek.

The congress nominated Kyrgyz Communist leader Absamat Masaliyev as the party's presidential candidate. He is a confirmed, staunch, principled Communist. He was head of the republic's Communist Party back in the Soviet era and during the breakup years remained true to the party and the people. The Central Electoral Commission secretary, who attended the congress, confirmed that the candidate was nominated in accordance with the law.

Here is another detail: On the day that the congress opened the presidential team arranged a police review, which took place to the accompaniment of Soviet marches, evidently because there are simply no others. Plenty of custodians of order were also mustered at the republic's drama theater where the congress was being held. But after hanging around for half an hour, they went away in confusion: There were no provocations, the Communists worked efficiently, and the most vital of issues were under discussion — how to help the working people of Kyrgyzstan, including the police of course.

Tajikistan

Russian Border Guards Fire at Rebels, Foil Infiltration

LD0111125995 Moscow INTERFAX in English 1211 GMT 1 Nov 95

[FBIS Transcribed Text] DUSHANBE, Nov 1 (Interfax) — The Rovand outpost of fort 2 of the Khorogskiy

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border guard unit came under fire Tuesday evening, the press center of the Russian border guards in Tajikistan said.

It was for an hour that Tajik opposition forces on the other side of the Tajikistan-Afghanistan border held the Rovand outpost under small arms fire. The border guards returned fire and suppressed the enemy fire positions. They suffered no losses, the press center said.

An attempt to cross the joint border into Tajikistan was frustrated in the area controled by the Porshnev outpost of fort 6 of the Khorogskiy border guard unit. Since the unidentified men who attempted to cross the border ignored warning shots, border guards shot to kill. As a result, according to preliminary reports, one man was killed and the others returned to Afghanistan, the press center told Interfax.

Antigovernment Faction Kills 11 Policemen, 4 Civilians

LD0111162195 Moscow ITAR-TASS World Service in Russian 1255 GMT 1 Nov 95

[FBIS Translated Text] Dushanbe, 1 Nov (ITAR-TASS) — Eleven policemen were killed and one wounded on Tuesday night in Garm District in the Pamirs, Tajikistan, as a result of an armed attack launched by an antigovernment formation against a police vehicle. Four civilians who were in the vehicle were also killed. As reported to ITAR-TASS, the vehicle came under fire at 1630 local time from mortars and automatic rifles while it was making its way through the Pamir village of Bulkos (255 km east of Dushanbe). A team of investigators from the Tajik Interior Ministry are currently working at the site of the incident.

At a briefing today the head of the information department of the Tajik Foreign Ministry said on behalf of the Tajik Government that the leadership of Tajikistan regards this act as a gross violation of the Inter-Tajik Cease-fire Agreement on the part of the armed Tajik opposition. He said that information about the incident was also confirmed by the UN military observers who are deployed in the village of Garm.

The government of Tajikistan also appealed to the UN Permanent Observers' Mission and to the Joint Commission for Supervising Implementation of the Inter-Tajik Cease-fire Agreement asking them to make an assessment of the facts and to make their opinion known to the leaders of the Tajik opposition. It was once again underlined that the actions of the armed Tajik opposition show that the latter are openly evading their obligations to carry out political struggle exclusively by peaceful means and are slipping onto the path of armed terror.

Prime Minister Criticizes Privatization Performance

LD0211102295 Dushanbe Radio Tajikistan Network in Russian 1000 GMT 1 Nov 95

[FBIS Translated Text] A meeting of the State Commission for Privatization of State Property was held under the chairmanship of Prime Minister Jamshed Karimov. The state commission members are [Raimjon Gafurov], state adviser to the president; Tukhtaboy Ghaforov, minister of economy and foreign economic relations; Shavkat Ismoilov, minister of justice; and [Matlubkhon Davlatov], chairman of the State Committee for Management of State Property.

The commission deemed unsatisfactory the work of ministries, departments, and administrations of cities and districts to implement the president's edict of 12 August 1995 on measures to further deepen and to extend the privatization of state property.

The conference considered the issues of turning private joint- stock societies into public joint-stock societies. The organizational activity of the State Fund for Privatization, which has been set up, was examined. In particular, the structure and the staff of this new organization were approved.

Addressing the members of the state commission, its chairman, Prime Minister Jamshed Karimov, noted that owing to the weak work being done among the population to explain the aims and tasks of privatization, it is difficult to turn the small-scale privatization being carried out today into a mass operation. The State Fund for Privatization was instructed to speed up the holding in the immediate future of contests and auctions at which small state enterprises in the catering and consumer service sector with up to 20 employees will be offered for sale. The state commission made a number of other decisions directed toward fulfilling the president's edict on speeding up privatization in Tajikistan.

Turkmenistan

Tajik Opposition, Authorities Agree To Meet in Ashgabat

LD0111143395 Moscow INTERFAX in English 1102 GMT 1 Nov 95

[FBIS Transcribed Text] ASHGABAT, Nov 1 (Interfax) — Representatives of the Tajik opposition and the Dushanbe authorities have confirmed their readiness to hold the fifth round of inter-Tajik talks in Ashgabat, head of the Turkmen Foreign Ministry's Department for Foreign Political Information Serdar Durdyev told Interfax Wednesday.

The date of these talks is so far unknown to the Turkmen Foreign Ministry, said Durdyev.

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First deputy leader of the Tajik united opposition Akbar Turadzhonzoda visited Ashgabat on October 30-31 for negotiations with Turkmen President Saparmurat Niyazov, he said.

In the same period Niyazov met head of the Dushanbe delegation to the inter-Tajik talks, First Deputy Prime Mininster of Tajikistan Makhmadsaid Ubadullayev in the Turkmen capital, said Durdyev. The meetings focused on bilateral economic cooperation and inter-Tajik settlement.

Durdyev said that Turadzhonzoda and Ubaidullayev did not meet.

"Discussion of all aspects of Tajik settlement may take almost four months of endless dialogue," said the diplomat.

Slovak-Turkmen Talks on Gas Supplies Held

LD0111203795 Moscow ITAR-TASS in English 1926 GMT 1 Nov 95

[By Anna Kurbanova]

[FBIS Transcribed Text] ASHGABAT, November 1 (Itar-Tass) — Turkmenistan and Slovakia discussed prospects for bilateral cooperation, in particular supplies of Turkmen gas to Slovakia, Slovak Prime Minister Vladimir Meciar told journalists on Wednesday.

Meciar arrived in Ashgabat on a visit to meet Turkmen President Saparmurad Niyazov.

The Slovak premier stressed the need to hold tripartite talks to discuss the export of Russian gas to Europe five points of which pass via Slovakia.

Today, the two sides held intergovernmental talks to discuss cooperation, including the mechanism of mutual payments to work out projects in the economic sphere.

The talks will continue on Thursday.

Uzbekistan

Karimov Happy Over World Bank Cooperation

LD0111192295 Moscow INTERFAX in English 1646 GMT 1 Nov 95

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] President Islam Karimov speaking after a meeting on Tuesday with World Bank [WB] President James Wolfenson, who is on a two-day visit in Tashkent, said that as many as four major projects were being implemented in Uzbekistan with WB help.

He said these were dealing with economic restructuring, social security and agricultural development.

Karimov said agreement was also reached on seven other projects worth of $1 billion to update Uzbekistan's industrial plants and restructure its financial and health sectors as well as to put up a drainage system along the Amudarya river to help towards water saving and increase water flow into the Aral Sea.

Karimov spoke of being satisfied with the scope of three-year cooperation with the World Bank which he described as one of the few international financial organizations Tashkent was giving a priority.

He denied that such expenditure might affect the country's social security programs saying WB projects had a social thrust. More importantly, he said these could help towards the republic's shift to market economy. Karimov said the WB's very philosophy was against granting loans to the detriment of social spending which is to remain one of the main directions of government policy.

For his part, Wolfenson said he began his regional tour from Uzbekistan whose reforms more than of its neighbors were meeting market reform criteria.

He said the WB management was lured by internal stability in Uzbekistan and President Karimov's resolve to press ahead with social and monetary reforms.

Wolfenson warned against expectations of quick results from reforms, but the WB projects can help towards a drastic reversal in the next three or four years and higher living standards as a result.

But the WB president gave a negative response to the idea of an easy term loan to fund operations aimed at salvaging the Aral Sea. He explained this by WB's specific approach to poor countries embarking on the road of economic reforms. However, Wolfenson said he would like to visit areas close to the Aral Sea.

On the prospects of further cooperation with Uzbekistan, he said the main thing was to try to implement the existing plan of action and put in place what must be there.

Karimov Calls For Coordinated Central Asia Policy

LD0111213595 Moscow INTERFAX in English 1646 GMT 1 Nov 95

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Wider political cooperation between Central Asian states dominated the agenda of a two-hour private meeting between President Islam Karimov and foreign ministers of Kazakhstan, Uzbekistan and Kyrgyzstan who arrived for one day of talks in Tashkent on Wednesday [1 November].

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Agreement was reached on the need for working out a common Central Asia policy.

Karimov is said to have briefed the ministers on his recent trip to the United States to attend the jubilee session of the UN General Assembly and a meeting with US Vice President Albert Gore.

He said Gore had praised Tashkent for contributing to the cause of regional stabilization in Central Asia spelling out support for closer cooperation with Uzbekistan and US aid to the republic.

On the same day, Karimov received credentials from new Iranian Ambassador Mukhsin Pokoini.

It was pointed out that regional stability including Afghanistan was largely hinged on Iranian position.

Uzbek, Kazakh, Kyrgyz Foreign Ministers Meet

LD0111201495 Tashkent Uzbekistan Television in Russian 1300 GMT 1 Nov 95

[FBIS Translated Text] A meeting took place today of the Council of Foreign Ministers of Kazakhstan, Kyrgyzstan, and Uzbekistan, which was set up by the Intergovernmental Council of the three Central Asian states.

Kasymzhomart Tokayev, Roza Otunbayeva, and Abdulaziz Komilov, the Kazakh, Kyrgyz, and Uzbek foreign ministers respectively, took part. The meeting was held under the chairmanship of the Kazakh Foreign Minister Tokayev.

The meeting discussed enhancing the development of all-round cooperation, accelerating integration in Central Asia, and regional and international problems of mutual interest.

An exchange of opinions on the agenda of the Council of Foreign Ministers of the three Central Asian states confirmed that positions coincide on key issues of mutually beneficial relations and regional security. The meeting participants are unanimous that cooperation within the framework of the CIS should be strengthened, that fuller use should be made of its potential, and that decisions relating to developing integration should be made more effective.

The ministers discussed the prospects for Kyrgyzstan and Uzbekistan joining the Customs Union with Belarus, Kazakhstan, and Russia. It was established that this would be in the interests of Central Asian states. The Council of Foreign Ministers approved a statute on a plenipotentiary representative for the states, a participant in the executive committee of the Kazakh, Kyrgyz, and Uzbek intergovernmental council, and recommended it for approval by the council of Kazakh, Kyrgyz, and Uzbek prime ministers.

Some regional questions were discussed at the meeting. Speaking about the Tajik-Afghan problem, the foreign ministers spoke in favor of speedily stabilizing the situation in these neighboring states. The sides confirm the need to immediately start a fifth round of inter-Tajik negotiations under the aegis of the UN. It was confirmed that political dialogue, the refusal to use force or any form of extremism, and mutual compromise on disputed issues are the ways of reaching peace and accord in Tajikistan.

The ministers exchanged opinions about ways of making their participation more effective in the activity of such authoritative international organizations as the OSCE, the European Council, and ASEAN.

This meeting is significant because a mutual cooperation protocol was signed between the foreign offices of Kazakhstan and Kyrgyzstan.

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Azerbaijan

Foreign Minister Comments on Caspian Sea Oil Deal

NC0211064795 Baku TURAN in English 1120 GMT 1 Nov 95

[FBIS Transcribed Text] Baku 01/11/95 TURAN—"It is our luck that main oil resources are in the Azeri sector of the Caspian. Just that is why the position of Russia and Iran are very close to each other in the question concerning the status of the Caspian. These states are not against receiving part of our share of the Caspian oil. But both Russia and Iran has enough oil even without it," Gasan Gasanov, Azerbaijan Foreign Minister told in his interview to BBC radio.

Azerbaijan does not intend to react to the Russian-Iranian communique on the Caspian adopted in Tehran on the eve, Gasan Gasanov said commenting on this statement.

According to him, Turkmenistan cannot be considered the partner of Russia and Iran in the question concerning the status of the Caspian. "Ashgabat has not said his last word yet. When that takes place the situation will be clear," the Minister said.

"I do not doubt that Azerbaijan will win the argument for the status of the Caspian," Gasanov said. He believes, that international law and the world practice support Azerbaijan.

"Caspian is a lake and the international conventions say nothing about the status of the lakes. The talk can be only about the practice and Azerbaijan keeps just to this practice. Besides, the new draft of Constitution which was passed for general referendum contains a clause recognising Azeri sector of the Caspian as a territory of Azerbaijan. And the sovereign rights of Azerbaijan spread on this sector," Foreign Minister said.

Karabakh Leader Praises OSCE Minsk Group's Performance

LD0111203595 Moscow INTERFAX in English 1843 GMT 1 Nov 95

[FBIS Transcribed Text] STEPANAKERT, Nov 1 (Interfax) — President of the self-proclaimed Nagorno-Karabakh republic Robert Kocharyan emphasized the importance of maintaining the cease-fire in the zone of the Armenian-Azerbaijani conflict at his meeting with German representative at the OSCE Minsk group Frank Lambag in Stepanakert today.

The German diplomat made a one-day visit to Stepanakert. He said he believed that "the discussion of issues related to granting Nagorno-Karabakh international security guarantees and of Nagorno Karabakh's status should take place within the context of stability."

Kocharyan said he was satisfied with the OSCE Minsk Group's active work on the problem regarding the status of Nagorno-Karabakh. Kocharyan said the self-proclaimed republic's status was the main problem for Stepanakert.

Sabotage Suggested Cause of Baku Subway Fire

MM0111142095 Moscow KOMSOMOLSKAYA PRAVDA in Russian 1 Nov 95 p 2

[Report by Svetlana Turyalay: "It Looks As Though Baku Subway Disaster Was Planned by Someone"]

[FBIS Translated Text] Baku — On Sunday and Monday in Azerbaijan they buried the victims of the fire on the Baku Subway on the evening of 28 October. But a considerable number of unidentified corpses remain in the morgues. Sinister rumors have traveled round the city: The authorities are concealing the true number of victims, the accident happened not because of technical faults but because of sabotage. This viewpoint was confirmed in an interview with KOMSOMOLSKAYA PRAVDA by Dzhafar Yusifov, chief of the Baku metropolitan subway: "It is impossible for such a rapidly spreading fire to have occurred as a result of short-circuit in the traction engine (this was one story — S.T.). We have had instances of traction engines being grounded and the driver has gotten the rolling stock safely to the nearest station." The Baku subway chief noted that the engine of the car which caught fire was in order and the car had been received recently from Kharkov after capital repair.

Two days after the fire in the subway the official authorities stopped insisting that the tragedy happened only for technical reasons. A story appeared about a preplanned act of sabotage and an investigation group is now actively studying it. Three gaping holes have been discovered on the floor in the fourth car. Subway workers say that the metal from which the cars is made is very solid and it could not melt as a result of a short circuit: There was a deliberate explosion or to be more precise a series of explosions. Witnesses to the incident describe how at first they heard a bang after which fire broke out and then there was a second bang — and smoke filled the car — and after the third bang people began to choke. A source at the Azerbaijan Internal Affairs Ministry has suggested that the accident was "programmed" during the car's repair outside the republic so that a major tragedy would occur at a specific moment. How feasible this is will be ascertained by the investigation, to which experts from Moscow will also be enlisted. Germany has also expressed the

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readiness to send its doctors and subway specialists to Azerbaijan to help.

Doctors from the republican toxicological center describe how they have never before encountered such serious poisoning. While they were helping the doctors themselves began to feel dizzy and had to open windows and doors.

According to the Azerbaijan independent television company ANS the number of dead is in excess of 360. U.S. President Bill Clinton has sent the families of the victims $25,000 and his condolences. Boris Yeltsin, who is at present undergoing medical treatment, has also sent his condolences.

Life in Baku is gradually returning to normal. As before there are crowds of people on the subway: After all, they have no choice. The intervals between trains, as always, are as much as 10 minutes. Only the acrid smell, which has not blown away even after several days, is a reminder of the terrible tragedy which happened here.

Another Incident Reported on Baku Subway 2 Nov

LD0211113095 Moscow ITAR-TASS in English 1125 GMT 2 Nov 95

[By Viktor Shulman and Sevindzh Abdullayeva]

[FBIS Transcribed Text] BAKU, November 2 (Itar-Tass) — Another incident took place at the Baku underground railway on Thursday [2 November] noon. A fuse feeding a traction engine burnt down due to unknown reasons in one of the coaches of a train at the Akademia nauk station.

According to witnesses, they felt a smell of burning. The subway police reported that, to avoid panic among passengers, they were instructed to leave the train. The station was closed, and the damaged train sent to the depot for inspection.

This is the second case this week when a fuse of a coach traction engine burns down. The first took place at the Kara Karayev station on Tuesday. Specialists from various countries now work at the depot and try to unravel real reasons behind the tragedy which took the lives of 289 people here on October 28.

Georgia

Abkhaz Talks on Political Settlement Resume in Moscow

LD0211113795 Moscow ITAR-TASS in English 1127 GMT 2 Nov 95

[By Yuriy Kozlov]

[FBIS Transcribed Text] MOSCOW, November 2 (Itar-Tass) — Delegations from Georgia and Abkhazia meet in the Russian capital today to start another round of talks on the political settlement of their conflict.

Russia which brokers the negotiating process announced yesterday that it will do its best to facilitate the development of the Georgian-Abkhazian dialogue.

The Georgian delegation is led by Eduard Shevardandze's personal envoy Vazha Lordkipanidze, and the Abkhazian delegation by parliament speaker Sokrat Dzhindzholia. Both countries have declared their readiness to conduct talks but sources in the Russian Foreign Ministry told Itar-Tass it was too early to say whether the two positions are fully compatible. Today's meeting with the participation of Russian Deputy Foreign Minister Boris Pastukhov is expected to provide an answer to this question.

A comprehensive political settlement is seen as the ultimate objective of the talks between Georgia and Abkhazia. The least that is expected at this stage is an agreement on an "Interim protocol" on some general principles of putting an end to the armed confrontation on the basis of the agreement of the two countries to live in the same state.

Details of the future system of the state would be then determined in the course of further talks, a high-ranking Russian diplomat told Itar-Tass.

Today's meeting in Moscow is expected to impart a positive impulse to the negotiating process after last week's flop. A week ago, Abkhazia refused to participate in the talks declaring that it would return to the negotiating table only after the "blockade" of the port of Sukhumi was lifted.

Abkhaz Envoy Explains Negotiating Goals

LD0111142195 Moscow INTERFAX in English 1102 GMT 1 Nov 95

[FBIS Transcribed Text] SUKHUMI, Nov 1 (Interfax) — Abkhazia keeps pressing for equal rights in a union of nations, head of the Abkhazian delegation to the negotiations with Georgia and speaker of the Abkhazian legislature Sokrat Dzhindzholia said Wednesday in an interview with Interfax.

Dzhindzholia is expected to lead the Abkhazian negotiators to Moscow Wednesday afternoon, and the Georgian-Abkhazian negotiations are due to begin Thursday.

Abkhazian negotiators will put forward suggestions based on earlier documents, including the declaration on political settlement of the Abkhazian-Georgian conflict signed on April 4, 1994, said Dzhindzholia.

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"If Georgia agrees in principle to meet Abkhazian suggestions for building a union of nations, attention will focus on in-depth nation-making efforts," Dzhindzholia said.

In his view, the Georgian refugee problem may be discussed only in the context of a search for a political accommodation.

Presidential and parliamentary elections to be held in Georgia on November 5 will not affect the Moscow-based negotiations, Dzhindzholia said, but Russian mediating efforts will give a boost to the negotiating process.

Dzhindzholia hopes that the Russian peacekeeping force will stay where it is until a full-scale solution is found to the Georgian- Abkhazian conflict.

Tbilisi Takes Positive View of Meeting on South Ossetia

LD0111151795 Moscow ITAR-TASS World Service in Russian 0825 GMT 1 Nov 95

[By ITAR-TASS correspondent Tengiz Pachkoria]

[FBIS Translated Text] Tbilisi, 1 Nov — Speaking live on national television today, Georgian Deputy Prime Minister Irakliy Menagarishvili described as "constructive" the working meeting of experts on a political settlement of the Georgian-South Ossetian conflict. The meeting took place in Vladikavkaz on 30-31 October and was attended by representatives of Georgia, South Ossetia, Russia, North Ossetia, and the Organization for Security and Cooperation in Europe [OSCE].

Irakliy Menagarishvili, the Georgian delegation chief, said agreement was reached to the effect that joint mixed groups of experts start work on all the aspects of settlement. Four groups have been set up to work on the problems of defining the status of South Ossetia within a unified Georgian state, restoring its economic ties with other regions of the country, ensuring security in Tskhinvali region, as well as restoring and strengthening mutual confidence between the sides of the conflict.

Within a month the groups of experts will prepare draft documents on these issues. After consultations, organizational issues of talks on full-scale settlement, the names of participants, and the timetable will be discussed.

Shevardnadze Discusses Economic Stability

LD0111203495 Moscow INTERFAX in English 1843 GMT 1 Nov 95

[FBIS Transcribed Text] BATUMI, Nov 1 (Interfax) — Georgian Head of State Eduard Shevardnadze believes that the first signs of economic stabilization are visible in Georgia.

Speaking at a meeting with voters in Batumi (capital of Adzharia) Wednesday, he said that the recently adopted Constitution and the introduction of the new national currency, the lari, has contributed to economic stabilization.

According to Shevardnadze, 250 new private companies have been set up in Tbilisi alone, which is already "giving rise to small business" in Georgia.

Foreign investors are demonstrating great interest in Georgia, he said. According to Shevardnadze, they are mostly interested in the sea ports of Poti and Batumi which "connect the West and the East."

He stressed that "the creation of a free economic zone in Batumi will be very important for the Georgian economy." Speaking about the settlement of the conflict in Abkhazia, Shevardnadze stressed that he favors a peaceful resolution of the conflict.

However, he said that "a complete isolation of the separatist regime in Abkhazia where there is genocide against Georgians" is necessary.

Shevardnadze arrived in Batumi Wednesday. In addition to meeting with voters, he intends to visit local enterprises and a check point on the Turkish border.

Shevardnadze has the best chances of winning November 5 presidential elections.

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Latvia

Foreign Minister Returns Home, Comments on EU Meeting

*WS0211104195 Tallinn BNS in English
1900 GMT 1 Nov 95*

[FBIS Transcribed Text] Riga, Nov 1, BNS — The foreign ministers of the European Union and its associate countries appreciated the Latvian application for EU membership, said the Baltic nation's Foreign Minister Valdis Birkavs.

Birkavs made the comment Wednesday on return from the ministerial conference in Luxembourg.

Several participants of the conference pointed out that the unanimous support for the document by all political forces elected to the next Latvian parliament testified to unchanged foreign policies in the future.

Currently, it is important to make the society and political parties understand why Latvia should join the EU, said Birkavs.

The foreign minister said he hoped that the new parliament "will have enough wisdom and power to prevent adoption of decisions that might serve to obstruct the process of integration."

During the meeting, the European foreign ministers also discussed the participation of associate states in the EU intergovernmental conference in the first half of 1996.

The 15-nation trading bloc will convene the conference to adjust its decision making procedures to the future requirements when more than 10 new members could join the group.

Representatives of the associate states should be present when the conference is tackling related issues, Birkavs quoted the foreign ministers as saying.

The EU enlargement talks should start simultaneously for all applicants, six months after the intergovernmental conference, said Birkavs.

As reported, Latvia was the fifth east European nation to formally apply for membership following Poland, Hungary, Romania and Slovakia.

Lithuanian Embassy Sends Note on Recall of Ambassador

*WS0211103895 Tallinn BNS in English
1900 GMT 1 Nov 95*

[FBIS Transcribed Text] Riga, Nov 1, BNS — The Lithuanian Embassy has submitted to the Latvian Foreign Ministry a note on calling off Ambassador Rimantas Karazija for consultations in Vilnius without mentioning any reasons for the move.

During Karazija's indefinite stay in Vilnius, his duties will be temporarily fulfilled by embassy counsellor Arunas Vincunas.

If the move comes in response to a recent oil exploration deal between Latvia and Western firms, it is "inadequate and exaggerated," said a spokesman for the Latvian Foreign Ministry.

Rihards Mucins described earlier pronouncements by Lithuania that Latvia violated mutual agreements by striking the deal with the American Amoco and the Swedish OPAB companies as groundless.

"There is no mutual agreement barring Latvia from discussing exploitation of Baltic Sea resources with a third party," said Mucins.

The Latvian Foreign Ministry hopes that talks of Karazija in Vilnius will "promote a more constructive approach" to the bilateral talks on sea borders, the spokesman noted.

Latvia has made a committement to conclude the agreement on sea borders as soon as possible, said Mucins.

As reported, Latvia pledges not to allow for any work in the disputable Baltic Sea territory until the border is delimited, while Lithuania views the entire deal as neglect of regional cooperation.

Lithuanian Envoy Says Agreement Broken

*WS0111151595 Tallinn BNS in English
1300 GMT 1 Nov 95*

[FBIS Transcribed Text] Riga, Nov 1, BNS — Latvia has broken the agreement between both countries not to negotiate and conclude any accords on using resources in the Baltic Sea before signing a treaty on sea borders beteen Lithuania and Latvia, Lithuanian Ambassador Rimantas Karazija told BNS.

That is the reason why Lithuanian Foreign Ministry has recalled Karazija for consultations on both countries' further relations.

The ambassador was recalled to show Lithuania's negative attitude toward Latvia's action — signing an agreement with Amoco/OPAB on oil exploration in the Baltic Sea, said Karazija.

"An invitiation to go to Vilnius for consultations is a serious diplomatic step," he noted.

Karazija expressed hope that the Latvian Cabinet will shown him the part of the agreement which refers to both countries' disputable zone in the Baltic Sea.

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The Lithuanian government will decide upon further relations with Latvia only after reading the above mentioned clauses of the agreement.

The agreement has not been published, and its full text was not revealed to reporters after the signing on Tuesday.

Commenting this fact Karazija noted that the agreement possibly contains "state secrets" therefore it is not necessary to publish the document before it is ratified by the Saeima.

The Lithuanian ambassador said he does not want worsening of relations between both states.

Karazija said he has to meet the Lithuanian foreign minister already on Nov. 2. The ambassador could not say when he could return to Latvia.

As reported, Latvia and Lithuania discussed the border issue on May 20, 1995 and the state and government leaders then concluded the so-called "Maisiagala agreement" or memorandum (named after the Lithuanian border-area village).

The memorandum said that no cooperation can be started with the third countries in using sea resources before the Latvian-Lithuanian sea border is determined.

'Mutual Misunderstanding' Cited

LD0111172595 Riga Radio Riga Network in Latvian 1400 GMT 1 Nov 95

[FBIS Translated Text] Latvian Foreign Minister Valdis Birkavs told a news conference today that mutual misunderstanding was the cause of current disagreements between Latvia and Lithuania. He recalled that Latvia's agreement with [the U.S. company] Amoco and [the Swedish firm] OPAB stipulates that no work will be carried out in the area disputed by Latvia and Lithuania before an agreement on the sea border has been concluded. Birkavs stressed that Lithuania has politicized this issue too much.

Amoco Representative Defends Pact

WS0111151895 Tallinn BNS in English 1000 GMT 1 Nov 95

[FBIS Transcribed Text] Riga, Nov 1, BNS — The agreement with Latvia on oil exploration in the Baltic Sea provides for strict observation of the interests of Lithuania. A representative of the U.S. oil company Amoco said that special clauses have been included in the agreement for regulating possible disagreements between the two neighbors — Latvia and Lithuania.

The agreement clearly says that it will take effect only after the Latvian-Lithuanian sea border is determined, Amoco representative Robert Clark told BNS on Tuesday. In any case, the acord refers only to those sea territories, which will be under Latvia's jurisdiction after an agreement on the sea border is reached.

Lithuania has recalled for consultations its ambassador to Latvia for an indefinite time period thus protesting the oil exploration agreement which was signed Tuesday by the government of Latvia, Amoco of the United States and Svensk Oljeprospektering AB (OPAB) of Sweden to explore for oil off Latvia's Baltic Sea coast.

Lithuania has repeatedly reminded Latvia that the sea border in the oil exploration area has not been determined yet, and wanted the border accord be signed before Latvia concluded a deal with Amoco and OPAB.

Amoco representative gave no comment to recalling of the Lithuanian ambassador. "That is a matter of bilateral relations between two sovereign countries," noted Clark.

Latvian Ambassador to Lithuania Alberts Sarkanis thinks that recalling of the Lithuanian ambassador for consultations in Vilnius can leave impact on diplomatic and economic relations between both countries.

He said that "Lithuania's move should not be evaluated as a joke. It is a misunderstanding concerning the Latvian-Lithuanian maritime border in the Baltic Sea."

Acting Navy Commander Attends NATO Planning Conference

LD0111152595 Riga Radio Riga Network in Latvian 1200 GMT 1 Nov 95

[FBIS Translated Text] (Ilmars Lesinskis), acting commander of the Latvian naval forces, today went to a planning conference of the NATO exercises Baltops-96, which is taking place in London. (Andrejs Zvaigzne), commander of the warship division of the naval forces, is also taking part in the conference, which is being held from 1 to 4 November.

The Latvian minesweeper *Imanta*, the Estonian minesweeper *Sulev*, and the Lithuanian frigate *Zemaitis* took part in the international naval exercises Baltops for the first time this June. Before that, the Baltic states had been represented at these exercises by observers.

It is expected that after the conference Lesinskis will go to the United States, where he will take part in a symposium of representatives of naval commands of world countries.

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